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2 (a) *SHORT TITLE.*—*This Act may be cited as the*
3 *“Trade and Development Act of 2000”.*

4 (b) *TABLE OF CONTENTS.*—

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1 ***TITLE I—EXTENSION OF CER-***
2 ***TAIN TRADE BENEFITS TO***
3 ***SUB-SAHARAN AFRICA***

4 ***Subtitle A—Trade Policy for Sub-***
5 ***Saharan Africa***

6 ***SEC. 101. SHORT TITLE.***

7 *This title may be cited as the “African Growth and*
8 *Opportunity Act”.*

9 ***SEC. 102. FINDINGS.***

10 *Congress finds that—*

11 *(1) it is in the mutual interest of the United*
12 *States and the countries of sub-Saharan Africa to*
13 *promote stable and sustainable economic growth and*
14 *development in sub-Saharan Africa;*

15 *(2) the 48 countries of sub-Saharan Africa form*
16 *a region richly endowed with both natural and*
17 *human resources;*

18 *(3) sub-Saharan Africa represents a region of*
19 *enormous economic potential and of enduring polit-*
20 *ical significance to the United States;*

21 *(4) the region has experienced the strengthening*
22 *of democracy as countries in sub-Saharan Africa have*
23 *taken steps to encourage broader participation in the*
24 *political process;*

1 (5) *certain countries in sub-Saharan Africa have*
2 *increased their economic growth rates, taken signifi-*
3 *cant steps towards liberalizing their economies, and*
4 *made progress toward regional economic integration*
5 *that can have positive benefits for the region;*

6 (6) *despite those gains, the per capita income in*
7 *sub-Saharan Africa averages approximately \$500 an-*
8 *nually;*

9 (7) *trade and investment, as the American expe-*
10 *rience has shown, can represent powerful tools both*
11 *for economic development and for encouraging broad-*
12 *er participation in a political process in which polit-*
13 *ical freedom can flourish;*

14 (8) *increased trade and investment flows have*
15 *the greatest impact in an economic environment in*
16 *which trading partners eliminate barriers to trade*
17 *and capital flows and encourage the development of a*
18 *vibrant private sector that offers individual African*
19 *citizens the freedom to expand their economic oppor-*
20 *tunities and provide for their families;*

21 (9) *offering the countries of sub-Saharan Africa*
22 *enhanced trade preferences will encourage both higher*
23 *levels of trade and direct investment in support of the*
24 *positive economic and political developments under*
25 *way throughout the region; and*

1 (10) *encouraging the reciprocal reduction of*
2 *trade and investment barriers in Africa will enhance*
3 *the benefits of trade and investment for the region as*
4 *well as enhance commercial and political ties between*
5 *the United States and sub-Saharan Africa.*

6 **SEC. 103. STATEMENT OF POLICY.**

7 *Congress supports—*

8 (1) *encouraging increased trade and investment*
9 *between the United States and sub-Saharan Africa;*

10 (2) *reducing tariff and nontariff barriers and*
11 *other obstacles to sub-Saharan African and United*
12 *States trade;*

13 (3) *expanding United States assistance to sub-*
14 *Saharan Africa's regional integration efforts;*

15 (4) *negotiating reciprocal and mutually bene-*
16 *ficial trade agreements, including the possibility of es-*
17 *tablishing free trade areas that serve the interests of*
18 *both the United States and the countries of sub-Saha-*
19 *ran Africa;*

20 (5) *focusing on countries committed to the rule*
21 *of law, economic reform, and the eradication of pov-*
22 *erty;*

23 (6) *strengthening and expanding the private sec-*
24 *tor in sub-Saharan Africa, especially enterprises*
25 *owned by women and small businesses;*

1 (7) *facilitating the development of civil societies*
2 *and political freedom in sub-Saharan Africa;*

3 (8) *establishing a United States-Sub-Saharan*
4 *Africa Trade and Economic Cooperation Forum; and*

5 (9) *the accession of the countries in sub-Saharan*
6 *Africa to the Organization for Economic Cooperation*
7 *and Development (OECD) Convention on Combating*
8 *Bribery of Foreign Public Officials in International*
9 *Business Transactions.*

10 ***SEC. 104. ELIGIBILITY REQUIREMENTS.***

11 (a) *IN GENERAL.*—*The President is authorized to des-*
12 *ignate a sub-Saharan African country as an eligible sub-*
13 *Saharan African country if the President determines that*
14 *the country—*

15 (1) *has established, or is making continual*
16 *progress toward establishing—*

17 (A) *a market-based economy that protects*
18 *private property rights, incorporates an open*
19 *rules-based trading system, and minimizes gov-*
20 *ernment interference in the economy through*
21 *measures such as price controls, subsidies, and*
22 *government ownership of economic assets;*

23 (B) *the rule of law, political pluralism, and*
24 *the right to due process, a fair trial, and equal*
25 *protection under the law;*

1 (C) the elimination of barriers to United
2 States trade and investment, including by—

3 (i) the provision of national treatment
4 and measures to create an environment con-
5 ducive to domestic and foreign investment;

6 (ii) the protection of intellectual prop-
7 erty; and

8 (iii) the resolution of bilateral trade
9 and investment disputes;

10 (D) economic policies to reduce poverty, in-
11 crease the availability of health care and edu-
12 cational opportunities, expand physical infra-
13 structure, promote the development of private en-
14 terprise, and encourage the formation of capital
15 markets through micro-credit or other programs;

16 (E) a system to combat corruption and
17 bribery, such as signing and implementing the
18 Convention on Combating Bribery of Foreign
19 Public Officials in International Business
20 Transactions; and

21 (F) protection of internationally recognized
22 worker rights, including the right of association,
23 the right to organize and bargain collectively, a
24 prohibition on the use of any form of forced or
25 compulsory labor, a minimum age for the em-

1 *ployment of children, and acceptable conditions*
2 *of work with respect to minimum wages, hours*
3 *of work, and occupational safety and health;*

4 *(2) does not engage in activities that undermine*
5 *United States national security or foreign policy in-*
6 *terests; and*

7 *(3) does not engage in gross violations of inter-*
8 *nationally recognized human rights or provide sup-*
9 *port for acts of international terrorism and cooperates*
10 *in international efforts to eliminate human rights*
11 *violations and terrorist activities.*

12 *(b) CONTINUING COMPLIANCE.—If the President deter-*
13 *mines that an eligible sub-Saharan African country is not*
14 *making continual progress in meeting the requirements de-*
15 *scribed in subsection (a)(1), the President shall terminate*
16 *the designation of the country made pursuant to subsection*
17 *(a).*

18 **SEC. 105. UNITED STATES-SUB-SAHARAN AFRICA TRADE**
19 **AND ECONOMIC COOPERATION FORUM.**

20 *(a) DECLARATION OF POLICY.—The President shall*
21 *convene annual high-level meetings between appropriate of-*
22 *ficials of the United States Government and officials of the*
23 *governments of sub-Saharan African countries in order to*
24 *foster close economic ties between the United States and sub-*
25 *Saharan Africa.*

1 (b) *ESTABLISHMENT.*—Not later than 12 months after
2 the date of the enactment of this Act, the President, after
3 consulting with Congress and the governments concerned,
4 shall establish a United States-Sub-Saharan Africa Trade
5 and Economic Cooperation Forum (in this section referred
6 to as the “Forum”).

7 (c) *REQUIREMENTS.*—In creating the Forum, the
8 President shall meet the following requirements:

9 (1) The President shall direct the Secretary of
10 Commerce, the Secretary of the Treasury, the Sec-
11 retary of State, and the United States Trade Rep-
12 resentative to host the first annual meeting with their
13 counterparts from the governments of sub-Saharan
14 African countries eligible under section 104, and those
15 sub-Saharan African countries that the President de-
16 termines are taking substantial positive steps towards
17 meeting the eligibility requirements in section 104.
18 The purpose of the meeting shall be to discuss expand-
19 ing trade and investment relations between the
20 United States and sub-Saharan Africa and the imple-
21 mentation of this title including encouraging joint
22 ventures between small and large businesses. The
23 President shall also direct the Secretaries and the
24 United States Trade Representative to invite to the
25 meeting representatives from appropriate sub-Saha-

1 *ran African regional organizations and government*
2 *officials from other appropriate countries in sub-Sa-*
3 *haran Africa.*

4 *(2)(A) The President, in consultation with the*
5 *Congress, shall encourage United States nongovern-*
6 *mental organizations to host annual meetings with*
7 *nongovernmental organizations from sub-Saharan Af-*
8 *rica in conjunction with the annual meetings of the*
9 *Forum for the purpose of discussing the issues de-*
10 *scribed in paragraph (1).*

11 *(B) The President, in consultation with the Con-*
12 *gress, shall encourage United States representatives of*
13 *the private sector to host annual meetings with rep-*
14 *resentatives of the private sector from sub-Saharan*
15 *Africa in conjunction with the annual meetings of the*
16 *Forum for the purpose of discussing the issues de-*
17 *scribed in paragraph (1).*

18 *(3) The President shall, to the extent practicable,*
19 *meet with the heads of governments of sub-Saharan*
20 *African countries eligible under section 104, and those*
21 *sub-Saharan African countries that the President de-*
22 *termines are taking substantial positive steps toward*
23 *meeting the eligibility requirements in section 104,*
24 *not less than once every 2 years for the purpose of*
25 *discussing the issues described in paragraph (1). The*

1 *first such meeting should take place not later than 12*
2 *months after the date of the enactment of this Act.*

3 *(d) DISSEMINATION OF INFORMATION BY USIS.—In*
4 *order to assist in carrying out the purposes of the Forum,*
5 *the United States Information Service shall disseminate*
6 *regularly, through multiple media, economic information in*
7 *support of the free market economic reforms described in*
8 *this title.*

9 *(e) HIV/AIDS EFFECT ON THE SUB-SAHARAN AFRI-*
10 *CAN WORKFORCE.—In selecting issues of common interest*
11 *to the United States-Sub-Saharan Africa Trade and Eco-*
12 *nomie Cooperation Forum, the President shall instruct the*
13 *United States delegates to the Forum to promote a review*
14 *by the Forum of the HIV/AIDS epidemic in each sub-Saha-*
15 *ran African country and the effect of the HIV/AIDS epi-*
16 *demic on economic development in each country.*

17 **SEC. 106. REPORTING REQUIREMENT.**

18 *The President shall submit to the Congress, not later*
19 *than 1 year after the date of the enactment of this Act, and*
20 *annually thereafter through 2008, a comprehensive report*
21 *on the trade and investment policy of the United States*
22 *for sub-Saharan Africa, and on the implementation of this*
23 *title and the amendments made by this title.*

1 **SEC. 107. SUB-SAHARAN AFRICA DEFINED.**

2 *For purposes of this title, the terms “sub-Saharan Af-*
3 *rica”, “sub-Saharan African country”, “country in sub-Sa-*
4 *haran Africa”, and “countries in sub-Saharan Africa” refer*
5 *to the following or any successor political entities:*

6 *Republic of Angola (Angola).*

7 *Republic of Benin (Benin).*

8 *Republic of Botswana (Botswana).*

9 *Burkina Faso (Burkina).*

10 *Republic of Burundi (Burundi).*

11 *Republic of Cameroon (Cameroon).*

12 *Republic of Cape Verde (Cape Verde).*

13 *Central African Republic.*

14 *Republic of Chad (Chad).*

15 *Federal Islamic Republic of the Comoros*
16 *(Comoros).*

17 *Democratic Republic of Congo.*

18 *Republic of the Congo (Congo).*

19 *Republic of Côte d’Ivoire (Côte d’Ivoire).*

20 *Republic of Djibouti (Djibouti).*

21 *Republic of Equatorial Guinea (Equatorial*
22 *Guinea).*

23 *State of Eritrea (Eritrea).*

24 *Ethiopia.*

25 *Gabonese Republic (Gabon).*

26 *Republic of the Gambia (Gambia).*

- 1 *Republic of Ghana (Ghana).*
- 2 *Republic of Guinea (Guinea).*
- 3 *Republic of Guinea-Bissau (Guinea-Bissau).*
- 4 *Republic of Kenya (Kenya).*
- 5 *Kingdom of Lesotho (Lesotho).*
- 6 *Republic of Liberia (Liberia).*
- 7 *Republic of Madagascar (Madagascar).*
- 8 *Republic of Malawi (Malawi).*
- 9 *Republic of Mali (Mali).*
- 10 *Islamic Republic of Mauritania (Mauritania).*
- 11 *Republic of Mauritius (Mauritius).*
- 12 *Republic of Mozambique (Mozambique).*
- 13 *Republic of Namibia (Namibia).*
- 14 *Republic of Niger (Niger).*
- 15 *Federal Republic of Nigeria (Nigeria).*
- 16 *Republic of Rwanda (Rwanda).*
- 17 *Democratic Republic of Sao Tomé and Príncipe*
18 *(Sao Tomé and Príncipe).*
- 19 *Republic of Senegal (Senegal).*
- 20 *Republic of Seychelles (Seychelles).*
- 21 *Republic of Sierra Leone (Sierra Leone).*
- 22 *Somalia.*
- 23 *Republic of South Africa (South Africa).*
- 24 *Republic of Sudan (Sudan).*
- 25 *Kingdom of Swaziland (Swaziland).*

1 *United Republic of Tanzania (Tanzania).*

2 *Republic of Togo (Togo).*

3 *Republic of Uganda (Uganda).*

4 *Republic of Zambia (Zambia).*

5 *Republic of Zimbabwe (Zimbabwe).*

6 ***Subtitle B—Trade Benefits***

7 ***SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.***

8 *(a) IN GENERAL.—Title V of the Trade Act of 1974*
9 *is amended by inserting after section 506 the following new*
10 *section:*

11 ***“SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN***
12 ***COUNTRIES FOR CERTAIN BENEFITS.***

13 *“(a) AUTHORITY TO DESIGNATE.—*

14 *“(1) IN GENERAL.—Notwithstanding any other*
15 *provision of law, the President is authorized to des-*
16 *ignate a country listed in section 107 of the African*
17 *Growth and Opportunity Act as a beneficiary sub-Sa-*
18 *haran African country eligible for the benefits de-*
19 *scribed in subsection (b)—*

20 *“(A) if the President determines that the*
21 *country meets the eligibility requirements set*
22 *forth in section 104 of that Act, as such require-*
23 *ments are in effect on the date of enactment of*
24 *that Act; and*

1 “(B) subject to the authority granted to the
2 President under subsections (a), (d), and (e) of
3 section 502, if the country otherwise meets the
4 eligibility criteria set forth in section 502.

5 “(2) MONITORING AND REVIEW OF CERTAIN
6 COUNTRIES.—The President shall monitor, review,
7 and report to Congress annually on the progress of
8 each country listed in section 107 of the African
9 Growth and Opportunity Act in meeting the require-
10 ments described in paragraph (1) in order to deter-
11 mine the current or potential eligibility of each coun-
12 try to be designated as a beneficiary sub-Saharan Af-
13 rican country for purposes of this section. The Presi-
14 dent’s determinations, and explanations of such deter-
15 minations, with specific analysis of the eligibility re-
16 quirements described in paragraph (1)(A), shall be
17 included in the annual report required by section 106
18 of the African Growth and Opportunity Act.

19 “(3) CONTINUING COMPLIANCE.—If the President
20 determines that a beneficiary sub-Saharan African
21 country is not making continual progress in meeting
22 the requirements described in paragraph (1), the
23 President shall terminate the designation of that
24 country as a beneficiary sub-Saharan African coun-
25 try for purposes of this section, effective on January

1 1 of the year following the year in which such deter-
2 mination is made.

3 “(b) *PREFERENTIAL TARIFF TREATMENT FOR CER-*
4 *TAIN ARTICLES.*—

5 “(1) *IN GENERAL.*—*The President may provide*
6 *duty-free treatment for any article described in sec-*
7 *tion 503(b)(1)(B) through (G) that is the growth,*
8 *product, or manufacture of a beneficiary sub-Saharan*
9 *African country described in subsection (a), if, after*
10 *receiving the advice of the International Trade Com-*
11 *mission in accordance with section 503(e), the Presi-*
12 *dent determines that such article is not import-sen-*
13 *sitive in the context of imports from beneficiary sub-*
14 *Saharan African countries.*

15 “(2) *RULES OF ORIGIN.*—*The duty-free treat-*
16 *ment provided under paragraph (1) shall apply to*
17 *any article described in that paragraph that meets*
18 *the requirements of section 503(a)(2), except that—*

19 “(A) *if the cost or value of materials pro-*
20 *duced in the customs territory of the United*
21 *States is included with respect to that article, an*
22 *amount not to exceed 15 percent of the appraised*
23 *value of the article at the time it is entered that*
24 *is attributed to such United States cost or value*
25 *may be applied toward determining the percent-*

1 age referred to in subparagraph (A) of section
2 503(a)(2); and

3 “(B) the cost or value of the materials in-
4 cluded with respect to that article that are pro-
5 duced in 1 or more beneficiary sub-Saharan Af-
6 rican countries shall be applied in determining
7 such percentage.

8 “(c) *BENEFICIARY SUB-SAHARAN AFRICAN COUN-*
9 *TRIES, ETC.—For purposes of this title, the terms ‘bene-*
10 *ficiary sub-Saharan African country’ and ‘beneficiary sub-*
11 *Saharan African countries’ mean a country or countries*
12 *listed in section 107 of the African Growth and Oppor-*
13 *tunity Act that the President has determined is eligible*
14 *under subsection (a) of this section.”.*

15 (b) *WAIVER OF COMPETITIVE NEED LIMITATION.—*
16 *Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C.*
17 *2463(c)(2)(D)) is amended to read as follows:*

18 “(D) *LEAST-DEVELOPED BENEFICIARY DE-*
19 *VELOPING COUNTRIES AND BENEFICIARY SUB-SA-*
20 *HARAN AFRICAN COUNTRIES.—Subparagraph (A)*
21 *shall not apply to any least-developed beneficiary*
22 *developing country or any beneficiary sub-Saha-*
23 *ran African country.”.*

1 **SEC. 112. TREATMENT OF CERTAIN TEXTILES AND AP-**
2 **PAREL.**

3 (a) *PREFERENTIAL TREATMENT.*—Textile and apparel
4 articles described in subsection (b) that are imported di-
5 rectly into the customs territory of the United States from
6 a beneficiary sub-Saharan African country described in sec-
7 tion 506A(c) of the Trade Act of 1974, shall enter the United
8 States free of duty and free of any quantitative limitations
9 in accordance with the provisions set forth in subsection
10 (b), if the country has satisfied the requirements set forth
11 in section 113.

12 (b) *PRODUCTS COVERED.*—The preferential treatment
13 described in subsection (a) shall apply only to the following
14 textile and apparel products:

15 (1) *APPAREL ARTICLES ASSEMBLED IN BENE-*
16 *FICIARY SUB-SAHARAN AFRICAN COUNTRIES.*—Ap-
17 parel articles assembled in 1 or more beneficiary sub-
18 Saharan African countries from fabrics wholly formed
19 and cut in the United States, from yarns wholly
20 formed in the United States, that are—

21 (A) entered under subheading 9802.00.80 of
22 the Harmonized Tariff Schedule of the United
23 States; or

24 (B) entered under chapter 61 or 62 of the
25 Harmonized Tariff Schedule of the United
26 States, if, after such assembly, the articles would

1 *have qualified for entry under subheading*
2 *9802.00.80 of the Harmonized Tariff Schedule of*
3 *the United States but for the fact that the arti-*
4 *cles were embroidered or subjected to stone-wash-*
5 *ing, enzyme-washing, acid washing, perma-*
6 *pressing, oven-baking, bleaching, garment-dye-*
7 *ing, screen printing, or other similar processes.*

8 (2) *APPAREL ARTICLES CUT AND ASSEMBLED IN*
9 *BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—*
10 *Apparel articles cut in 1 or more beneficiary sub-Sa-*
11 *haran African countries from fabric wholly formed in*
12 *the United States from yarns wholly formed in the*
13 *United States, if such articles are assembled in 1 or*
14 *more beneficiary sub-Saharan African countries with*
15 *thread formed in the United States.*

16 (3) *APPAREL ARTICLES ASSEMBLED FROM RE-*
17 *GIONAL AND OTHER FABRIC.—Apparel articles wholly*
18 *assembled in 1 or more beneficiary sub-Saharan Afri-*
19 *can countries from fabric wholly formed in 1 or more*
20 *beneficiary sub-Saharan African countries from yarn*
21 *originating either in the United States or 1 or more*
22 *beneficiary sub-Saharan African countries, subject to*
23 *the following:*

24 (A) *LIMITATIONS ON BENEFITS.—*

1 (i) *IN GENERAL.*—*Preferential treat-*
2 *ment under this paragraph shall be ex-*
3 *tended in the 1-year period beginning on*
4 *October 1, 2000, and in each of the 7 suc-*
5 *ceeding 1-year periods, to imports of ap-*
6 *parel articles in an amount not to exceed*
7 *the applicable percentage of the aggregate*
8 *square meter equivalents of all apparel arti-*
9 *cles imported into the United States in the*
10 *preceding 12-month period for which data*
11 *are available.*

12 (ii) *APPLICABLE PERCENTAGE.*—*For*
13 *purposes of this subparagraph, the term*
14 *“applicable percentage” means 1.5 percent*
15 *for the 1-year period beginning October 1,*
16 *2000, increased in each of the seven suc-*
17 *ceeding 1-year periods by equal increments,*
18 *so that for the period beginning October 1,*
19 *2007, the applicable percentage does not ex-*
20 *ceed 3.5 percent.*

21 (B) *SPECIAL RULE FOR LESSER DEVEL-*
22 *OPED COUNTRIES.*—

23 (i) *IN GENERAL.*—*Subject to subpara-*
24 *graph (A), preferential treatment shall be*
25 *extended through September 30, 2004, for*

1 *apparel articles wholly assembled in 1 or*
2 *more lesser developed beneficiary sub-Saha-*
3 *ran African countries regardless of the*
4 *country of origin of the fabric used to make*
5 *such articles.*

6 *(ii) LESSER DEVELOPED BENEFICIARY*
7 *SUB-SAHARAN AFRICAN COUNTRY.—For*
8 *purposes of this subparagraph the term*
9 *“lesser developed beneficiary sub-Saharan*
10 *African country” means a beneficiary sub-*
11 *Saharan African country that had a per*
12 *capita gross national product of less than*
13 *\$1,500 a year in 1998, as measured by the*
14 *World Bank.*

15 *(C) SURGE MECHANISM.—*

16 *(i) IMPORT MONITORING.—The Sec-*
17 *retary of Commerce shall monitor imports*
18 *of articles described in this paragraph on a*
19 *monthly basis to determine if there has been*
20 *a surge in imports of such articles. In order*
21 *to permit public access to preliminary*
22 *international trade data and to facilitate*
23 *the early identification of potentially dis-*
24 *ruptive import surges, the Director of the*
25 *Office of Management and Budget may*

1 *grant an exception to the publication dates*
2 *established for the release of data on United*
3 *States international trade in covered arti-*
4 *cles, if the Director notifies Congress of the*
5 *early release of the data.*

6 (ii) *DETERMINATION OF DAMAGE OR*
7 *THREAT THEREOF.—Whenever the Sec-*
8 *retary of Commerce determines, based on*
9 *the data described in clause (i), or pursuant*
10 *to a written request made by an interested*
11 *party, that there has been a surge in im-*
12 *ports of an article described in this para-*
13 *graph from a beneficiary sub-Saharan Afri-*
14 *can country, the Secretary shall determine*
15 *whether such article from such country is*
16 *being imported in such increased quantities*
17 *as to cause serious damage, or threat there-*
18 *of, to the domestic industry producing a like*
19 *or directly competitive article. If the Sec-*
20 *retary's determination is affirmative, the*
21 *President shall suspend the duty-free treat-*
22 *ment provided for such article under this*
23 *paragraph. If the inquiry is initiated at the*
24 *request of an interested party, the Secretary*

1 *shall make the determination within 60*
2 *days after the date of the request.*

3 (iii) *FACTORS TO CONSIDER.—In de-*
4 *termining whether a domestic industry has*
5 *been seriously damaged, or is threatened*
6 *with serious damage, the Secretary shall ex-*
7 *amine the effect of the imports on relevant*
8 *economic indicators such as domestic pro-*
9 *duction, sales, market share, capacity utili-*
10 *zation, inventories, employment, profits, ex-*
11 *ports, prices, and investment.*

12 (iv) *PROCEDURE.—*

13 (I) *INITIATION.—The Secretary of*
14 *Commerce shall initiate an inquiry*
15 *within 10 days after receiving a writ-*
16 *ten request and supporting informa-*
17 *tion for an inquiry from an interested*
18 *party. Notice of initiation of an in-*
19 *quiry shall be published in the Federal*
20 *Register.*

21 (II) *PARTICIPATION BY INTER-*
22 *ESTED PARTIES.—The Secretary of*
23 *Commerce shall establish procedures to*
24 *ensure participation in the inquiry by*
25 *interested parties.*

1 (III) NOTICE OF DETERMINA-
2 TION.—*The Secretary shall publish the*
3 *determination described in clause (ii)*
4 *in the Federal Register.*

5 (IV) INFORMATION AVAILABLE.—
6 *If relevant information is not available*
7 *on the record or any party withholds*
8 *information that has been requested by*
9 *the Secretary, the Secretary shall make*
10 *the determination on the basis of the*
11 *facts available. When the Secretary re-*
12 *lies on information submitted in the*
13 *inquiry as facts available, the Sec-*
14 *retary shall, to the extent practicable,*
15 *corroborate the information from inde-*
16 *pendent sources that are reasonably*
17 *available to the Secretary.*

18 (v) INTERESTED PARTY.—*For purposes*
19 *of this subparagraph, the term “interested*
20 *party” means any producer of a like or di-*
21 *rectly competitive article, a certified union*
22 *or recognized union or group of workers*
23 *which is representative of an industry en-*
24 *gaged in the manufacture, production, or*
25 *sale in the United States of a like or di-*

1 *rectly competitive article, a trade or busi-*
2 *ness association representing producers or*
3 *sellers of like or directly competitive arti-*
4 *cles, producers engaged in the production of*
5 *essential inputs for like or directly competi-*
6 *tive articles, a certified union or group of*
7 *workers which is representative of an indus-*
8 *try engaged in the manufacture, production,*
9 *or sale of essential inputs for the like or di-*
10 *rectly competitive article, or a trade or*
11 *business association representing companies*
12 *engaged in the manufacture, production or*
13 *sale of such essential inputs.*

14 (4) *SWEATERS KNIT-TO-SHAPE FROM CASHMERE*
15 *OR MERINO WOOL.—*

16 (A) *CASHMERE.—Sweaters, in chief weight*
17 *of cashmere, knit-to-shape in 1 or more bene-*
18 *ficiary sub-Saharan African countries and clas-*
19 *sifiable under subheading 6110.10 of the Har-*
20 *monized Tariff Schedule of the United States.*

21 (B) *MERINO WOOL.—Sweaters, 50 percent*
22 *or more by weight of wool measuring 18.5 mi-*
23 *crs in diameter or finer, knit-to-shape in 1 or*
24 *more beneficiary sub-Saharan African countries.*

1 (5) *APPAREL ARTICLES WHOLLY ASSEMBLED*
2 *FROM FABRIC OR YARN NOT AVAILABLE IN COMMER-*
3 *CIAL QUANTITIES IN THE UNITED STATES.—*

4 (A) *IN GENERAL.—Apparel articles that are*
5 *both cut (or knit-to-shape) and sewn or otherwise*
6 *assembled in 1 or more beneficiary sub-Saharan*
7 *African countries, from fabric or yarn that is*
8 *not formed in the United States or a beneficiary*
9 *sub-Saharan African country, to the extent that*
10 *such fabrics or yarns would be eligible for pref-*
11 *erential treatment, without regard to the source*
12 *of the fabric or yarn, under Annex 401 to the*
13 *NAFTA.*

14 (B) *ADDITIONAL APPAREL ARTICLES.—At*
15 *the request of any interested party and subject to*
16 *the following requirements, the President is au-*
17 *thorized to proclaim the treatment provided*
18 *under subparagraph (A) for yarns or fabrics not*
19 *described in subparagraph (A) if—*

20 (i) *the President determines that such*
21 *yarns or fabrics cannot be supplied by the*
22 *domestic industry in commercial quantities*
23 *in a timely manner;*

24 (ii) *the President has obtained advice*
25 *regarding the proposed action from the ap-*

1 *propriate advisory committee established*
2 *under section 135 of the Trade Act of 1974*
3 *(19 U.S.C. 2155) and the United States*
4 *International Trade Commission;*

5 *(iii) within 60 calendar days after the*
6 *request, the President has submitted a re-*
7 *port to the Committee on Ways and Means*
8 *of the House of Representatives and the*
9 *Committee on Finance of the Senate that*
10 *sets forth—*

11 *(I) the action proposed to be pro-*
12 *claimed and the reasons for such ac-*
13 *tion; and*

14 *(II) the advice obtained under*
15 *clause (ii);*

16 *(iv) a period of 60 calendar days, be-*
17 *ginning with the first day on which the*
18 *President has met the requirements of sub-*
19 *clauses (I) and (II) of clause (iii), has ex-*
20 *pired; and*

21 *(v) the President has consulted with*
22 *such committees regarding the proposed ac-*
23 *tion during the period referred to in clause*
24 *(iii).*

1 (6) *HANDLOOMED, HANDMADE, AND FOLKLORE*
2 *ARTICLES.—A handloomed, handmade, or folklore ar-*
3 *ticle of a beneficiary sub-Saharan African country or*
4 *countries that is certified as such by the competent*
5 *authority of such beneficiary country or countries.*
6 *For purposes of this paragraph, the President, after*
7 *consultation with the beneficiary sub-Saharan Afri-*
8 *can country or countries concerned, shall determine*
9 *which, if any, particular textile and apparel goods of*
10 *the country (or countries) shall be treated as being*
11 *handloomed, handmade, or folklore articles.*

12 (c) *TREATMENT OF QUOTAS ON TEXTILE AND AP-*
13 *PAREL IMPORTS FROM KENYA AND MAURITIUS.—The*
14 *President shall eliminate the existing quotas on textile and*
15 *apparel articles imported into the United States—*

16 (1) *from Kenya within 30 days after that coun-*
17 *try adopts an effective visa system to prevent unlaw-*
18 *ful transshipment of textile and apparel articles and*
19 *the use of counterfeit documents relating to the impor-*
20 *tation of the articles into the United States; and*

21 (2) *from Mauritius within 30 days after that*
22 *country adopts such a visa system.*

23 *The Customs Service shall provide the necessary technical*
24 *assistance to Kenya and Mauritius in the development and*
25 *implementation of the visa systems.*

1 (d) *SPECIAL RULES.*—

2 (1) *FINDINGS AND TRIMMINGS.*—

3 (A) *GENERAL RULE.*—*An article otherwise*
4 *eligible for preferential treatment under this sec-*
5 *tion shall not be ineligible for such treatment be-*
6 *cause the article contains findings or trimmings*
7 *of foreign origin, if the value of such findings*
8 *and trimmings do not exceed 25 percent of the*
9 *cost of the components of the assembled article.*
10 *Examples of findings and trimmings are sewing*
11 *thread, hooks and eyes, snaps, buttons, 'bow*
12 *buds', decorative lace trim, elastic strips, and*
13 *zippers, including zipper tapes and labels. Elas-*
14 *tic strips are considered findings or trimmings*
15 *only if they are each less than 1 inch in width*
16 *and used in the production of brassieres.*

17 (B) *CERTAIN INTERLININGS.*—

18 (i) *GENERAL RULE.*—*An article other-*
19 *wise eligible for preferential treatment*
20 *under this section shall not be ineligible for*
21 *such treatment because the article contains*
22 *certain interlinings of foreign origin, if the*
23 *value of such interlinings (and any findings*
24 *and trimmings) does not exceed 25 percent*

1 *of the cost of the components of the assem-*
2 *bled article.*

3 (ii) *INTERLININGS DESCRIBED.—Inter-*
4 *linings eligible for the treatment described*
5 *in clause (i) include only a chest type plate,*
6 *a “hymo” piece, or “sleeve header”, of*
7 *woven or weft-inserted warp knit construc-*
8 *tion and of coarse animal hair or man-*
9 *made filaments.*

10 (iii) *TERMINATION OF TREATMENT.—*
11 *The treatment described in this subpara-*
12 *graph shall terminate if the President*
13 *makes a determination that United States*
14 *manufacturers are producing such inter-*
15 *linings in the United States in commercial*
16 *quantities.*

17 (C) *EXCEPTION.—In the case of an article*
18 *described in subsection (b)(2), sewing thread*
19 *shall not be treated as findings or trimmings*
20 *under subparagraph (A).*

21 (2) *DE MINIMIS RULE.—An article otherwise eli-*
22 *gible for preferential treatment under this section*
23 *shall not be ineligible for such treatment because the*
24 *article contains fibers or yarns not wholly formed in*
25 *the United States or 1 or more beneficiary sub-Saha-*

1 *ran African countries if the total weight of all such*
2 *fibers and yarns is not more than 7 percent of the*
3 *total weight of the article.*

4 *(e) DEFINITIONS.—In this section and section 113:*

5 *(1) AGREEMENT ON TEXTILES AND CLOTHING.—*
6 *The term “Agreement on Textiles and Clothing”*
7 *means the Agreement on Textiles and Clothing re-*
8 *ferred to in section 101(d)(4) of the Uruguay Round*
9 *Agreements Act (19 U.S.C. 3511(d)(4)).*

10 *(2) BENEFICIARY SUB-SAHARAN AFRICAN COUN-*
11 *TRY, ETC.—The terms “beneficiary sub-Saharan Afri-*
12 *can country” and “beneficiary sub-Saharan African*
13 *countries” have the same meaning as such terms have*
14 *under section 506A(c) of the Trade Act of 1974.*

15 *(3) NAFTA.—The term “NAFTA” means the*
16 *North American Free Trade Agreement entered into*
17 *between the United States, Mexico, and Canada on*
18 *December 17, 1992.*

19 *(f) EFFECTIVE DATE.—This section takes effect on Oc-*
20 *tober 1, 2000, and shall remain in effect through September*
21 *30, 2008.*

22 **SEC. 113. PROTECTIONS AGAINST TRANSSHIPMENT.**

23 *(a) PREFERENTIAL TREATMENT CONDITIONED ON EN-*
24 *FORCEMENT MEASURES.—*

1 (1) *IN GENERAL.*—*The preferential treatment*
2 *under section 112(a) shall not be provided to textile*
3 *and apparel articles that are imported from a bene-*
4 *ficiary sub-Saharan African country unless that*
5 *country—*

6 *(A) has adopted an effective visa system, do-*
7 *mestic laws, and enforcement procedures appli-*
8 *cable to covered articles to prevent unlawful*
9 *transshipment of the articles and the use of coun-*
10 *terfeit documents relating to the importation of*
11 *the articles into the United States;*

12 *(B) has enacted legislation or promulgated*
13 *regulations that would permit United States*
14 *Customs Service verification teams to have the*
15 *access necessary to investigate thoroughly allega-*
16 *tions of transshipment through such country;*

17 *(C) agrees to report, on a timely basis, at*
18 *the request of the United States Customs Service,*
19 *on the total exports from and imports into that*
20 *country of covered articles, consistent with the*
21 *manner in which the records are kept by that*
22 *country;*

23 *(D) will cooperate fully with the United*
24 *States to address and take action necessary to*

1 *prevent circumvention as provided in Article 5*
2 *of the Agreement on Textiles and Clothing;*

3 *(E) agrees to require all producers and ex-*
4 *porters of covered articles in that country to*
5 *maintain complete records of the production and*
6 *the export of covered articles, including materials*
7 *used in the production, for at least 2 years after*
8 *the production or export (as the case may be);*
9 *and*

10 *(F) agrees to report, on a timely basis, at*
11 *the request of the United States Customs Service,*
12 *documentation establishing the country of origin*
13 *of covered articles as used by that country in im-*
14 *plementing an effective visa system.*

15 *(2) COUNTRY OF ORIGIN DOCUMENTATION.—For*
16 *purposes of paragraph (1)(F), documentation regard-*
17 *ing the country of origin of the covered articles in-*
18 *cludes documentation such as production records, in-*
19 *formation relating to the place of production, the*
20 *number and identification of the types of machinery*
21 *used in production, the number of workers employed*
22 *in production, and certification from both the manu-*
23 *facturer and the exporter.*

24 *(b) CUSTOMS PROCEDURES AND ENFORCEMENT.—*

25 *(1) IN GENERAL.—*

1 (A) *REGULATIONS.*—Any importer that
2 claims preferential treatment under section 112
3 shall comply with customs procedures similar in
4 all material respects to the requirements of Arti-
5 cle 502(1) of the NAFTA as implemented pursu-
6 ant to United States law, in accordance with
7 regulations promulgated by the Secretary of the
8 Treasury.

9 (B) *DETERMINATION.*—

10 (i) *IN GENERAL.*—In order to qualify
11 for the preferential treatment under section
12 112 and for a Certificate of Origin to be
13 valid with respect to any article for which
14 such treatment is claimed, there shall be in
15 effect a determination by the President that
16 each country described in clause (ii)—

17 (I) has implemented and follows,

18 or

19 (II) is making substantial
20 progress toward implementing and fol-
21 lowing,
22 procedures and requirements similar in all
23 material respects to the relevant procedures
24 and requirements under chapter 5 of the
25 NAFTA.

1 (ii) *COUNTRY DESCRIBED.*—*A country*
2 *is described in this clause if it is a bene-*
3 *ficiary sub-Saharan African country—*

4 *(I) from which the article is ex-*
5 *ported, or*

6 *(II) in which materials used in*
7 *the production of the article originate*
8 *or in which the article or such mate-*
9 *rials, undergo production that contrib-*
10 *utes to a claim that the article is eligi-*
11 *ble for preferential treatment.*

12 (2) *CERTIFICATE OF ORIGIN.*—*The Certificate of*
13 *Origin that otherwise would be required pursuant to*
14 *the provisions of paragraph (1) shall not be required*
15 *in the case of an article imported under section 112*
16 *if such Certificate of Origin would not be required*
17 *under Article 503 of the NAFTA (as implemented*
18 *pursuant to United States law), if the article were*
19 *imported from Mexico.*

20 (3) *PENALTIES FOR EXPORTERS.*—*If the Presi-*
21 *dent determines, based on sufficient evidence, that an*
22 *exporter has engaged in transshipment as defined in*
23 *paragraph (4), then the President shall deny for a pe-*
24 *riod of 5 years all benefits under section 112 to such*
25 *exporter, any successor of such exporter, and any*

1 *other entity owned or operated by the principal of the*
2 *exporter.*

3 (4) *TRANSSHIPMENT DESCRIBED.—Trans-*
4 *shipment within the meaning of this subsection has*
5 *occurred when preferential treatment for a textile or*
6 *apparel article under this Act has been claimed on the*
7 *basis of material false information concerning the*
8 *country of origin, manufacture, processing, or assem-*
9 *bley of the article or any of its components. For pur-*
10 *poses of this paragraph, false information is material*
11 *if disclosure of the true information would mean or*
12 *would have meant that the article is or was ineligible*
13 *for preferential treatment under section 112.*

14 (5) *MONITORING AND REPORTS TO CONGRESS.—*
15 *The Customs Service shall monitor and the Commis-*
16 *sioner of Customs shall submit to Congress, not later*
17 *than March 31 of each year, a report on the effective-*
18 *ness of the visa systems and the implementation of*
19 *legislation and regulations described in subsection (a)*
20 *and on measures taken by countries in sub-Saharan*
21 *Africa which export textiles or apparel to the United*
22 *States to prevent circumvention as described in Arti-*
23 *cle 5 of the Agreement on Textiles and Clothing.*

24 (c) *CUSTOMS SERVICE ENFORCEMENT.—The Customs*
25 *Service shall—*

1 (1) *make available technical assistance to the*
2 *beneficiary sub-Saharan African countries—*

3 (A) *in the development and implementation*
4 *of visa systems, legislation, and regulations de-*
5 *scribed in subsection (a)(1)(A); and*

6 (B) *to train their officials in anti-trans-*
7 *shipment enforcement;*

8 (2) *send production verification teams to at least*
9 *4 beneficiary sub-Saharan African countries each*
10 *year; and*

11 (3) *to the extent feasible, place beneficiary sub-*
12 *Saharan African countries on the Electronic Visa*
13 *(ELVIS) program.*

14 (d) *AUTHORIZATION OF APPROPRIATIONS.—There is*
15 *authorized to be appropriated to carry out subsection (c)*
16 *the sum of \$5,894,913.*

17 **SEC. 114. TERMINATION.**

18 *Title V of the Trade Act of 1974 is amended by insert-*
19 *ing after section 506A the following new section:*

20 **“SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN**
21 **AFRICAN COUNTRIES.**

22 *“In the case of a beneficiary sub-Saharan African*
23 *country, as defined in section 506A(c), duty-free treatment*
24 *provided under this title shall remain in effect through Sep-*
25 *tember 30, 2008.”.*

1 **SEC. 115. CLERICAL AMENDMENTS.**

2 *The table of contents for title V of the Trade Act of*
3 *1974 is amended by inserting after the item relating to sec-*
4 *tion 506 the following new items:*

“Sec. 506A. Designation of sub-Saharan African countries for certain benefits.

“Sec. 506B. Termination of benefits for sub-Saharan African countries.”.

5 **SEC. 116. FREE TRADE AGREEMENTS WITH SUB-SAHARAN**
6 **AFRICAN COUNTRIES.**

7 *(a) DECLARATION OF POLICY.—Congress declares that*
8 *free trade agreements should be negotiated, where feasible,*
9 *with interested countries in sub-Saharan Africa, in order*
10 *to serve as the catalyst for increasing trade between the*
11 *United States and sub-Saharan Africa and increasing pri-*
12 *vate sector investment in sub-Saharan Africa.*

13 *(b) PLAN REQUIREMENT.—*

14 *(1) IN GENERAL.—The President, taking into ac-*
15 *count the provisions of the treaty establishing the Af-*
16 *rican Economic Community and the willingness of*
17 *the governments of sub-Saharan African countries to*
18 *engage in negotiations to enter into free trade agree-*
19 *ments, shall develop a plan for the purpose of negoti-*
20 *ating and entering into 1 or more trade agreements*
21 *with interested beneficiary sub-Saharan African*
22 *countries.*

23 *(2) ELEMENTS OF PLAN.—The plan shall include*
24 *the following:*

1 (A) *The specific objectives of the United*
2 *States with respect to negotiations described in*
3 *paragraph (1) and a suggested timetable for*
4 *achieving those objectives.*

5 (B) *The benefits to both the United States*
6 *and the relevant sub-Saharan African countries*
7 *with respect to the applicable free trade agree-*
8 *ment or agreements.*

9 (C) *A mutually agreed-upon timetable for*
10 *the negotiations.*

11 (D) *The implications for and the role of re-*
12 *gional and sub-regional organizations in sub-Sa-*
13 *haran Africa with respect to such free trade*
14 *agreement or agreements.*

15 (E) *Subject matter anticipated to be covered*
16 *by the negotiations and United States laws, pro-*
17 *grams, and policies, as well as the laws of par-*
18 *ticipating eligible African countries and existing*
19 *bilateral and multilateral and economic coopera-*
20 *tion and trade agreements, that may be affected*
21 *by the agreement or agreements.*

22 (F) *Procedures to ensure the following:*

23 (i) *Adequate consultation with the*
24 *Congress and the private sector during the*
25 *negotiations.*

1 (ii) Consultation with the Congress re-
2 garding all matters relating to implementa-
3 tion of the agreement or agreements.

4 (iii) Approval by the Congress of the
5 agreement or agreements.

6 (iv) Adequate consultations with the
7 relevant African governments and African
8 regional and subregional intergovernmental
9 organizations during the negotiation of the
10 agreement or agreements.

11 (c) *REPORTING REQUIREMENT.*—Not later than 12
12 months after the date of the enactment of this Act, the Presi-
13 dent shall prepare and transmit to the Congress a report
14 containing the plan developed pursuant to subsection (b).

15 **SEC. 117. ASSISTANT UNITED STATES TRADE REPRESENTA-**
16 **TIVE FOR AFRICAN AFFAIRS.**

17 *It is the sense of the Congress that—*

18 (1) *the position of Assistant United States Trade*
19 *Representative for African Affairs is integral to the*
20 *United States commitment to increasing United*
21 *States-sub-Saharan African trade and investment;*

22 (2) *the position of Assistant United States Trade*
23 *Representative for African Affairs should be main-*
24 *tained within the Office of the United States Trade*
25 *Representative to direct and coordinate interagency*

1 *activities on United States-Africa trade policy and*
2 *investment matters and serve as—*

3 *(A) a primary point of contact in the execu-*
4 *tive branch for those persons engaged in trade*
5 *between the United States and sub-Saharan Afri-*
6 *ca; and*

7 *(B) the chief advisor to the United States*
8 *Trade Representative on issues of trade and in-*
9 *vestment with Africa; and*

10 *(3) the United States Trade Representative*
11 *should have adequate funding and staff to carry out*
12 *the duties of the Assistant United States Trade Rep-*
13 *resentative for African Affairs described in paragraph*
14 *(2), subject to the availability of appropriations.*

15 ***Subtitle C—Economic Development***
16 ***Related Issues***

17 ***SEC. 121. SENSE OF CONGRESS REGARDING COMPREHEN-***
18 ***SIVE DEBT RELIEF FOR THE WORLD'S POOR-***
19 ***EST COUNTRIES.***

20 *(a) FINDINGS.—Congress makes the following findings:*

21 *(1) The burden of external debt has become a*
22 *major impediment to economic growth and poverty*
23 *reduction in many of the world's poorest countries.*

24 *(2) Until recently, the United States Government*
25 *and other official creditors sought to address this*

1 *problem by rescheduling loans and in some cases pro-*
2 *viding limited debt reduction.*

3 *(3) Despite such efforts, the cumulative debt of*
4 *many of the world's poorest countries continued to*
5 *grow beyond their capacity to repay.*

6 *(4) In 1997, the Group of Seven, the World*
7 *Bank, and the International Monetary Fund adopted*
8 *the Heavily Indebted Poor Countries Initiative*
9 *(HIPC), a commitment by the international commu-*
10 *nity that all multilateral and bilateral creditors, act-*
11 *ing in a coordinated and concerted fashion, would re-*
12 *duce poor country debt to a sustainable level.*

13 *(5) The HIPC Initiative is currently undergoing*
14 *reforms to address concerns raised about country con-*
15 *ditionality, the amount of debt forgiven, and the allo-*
16 *cation of savings realized through the debt forgiveness*
17 *program to ensure that the Initiative accomplishes the*
18 *goals of economic growth and poverty alleviation in*
19 *the world's poorest countries.*

20 *(b) SENSE OF CONGRESS.—It is the sense of Congress*
21 *that—*

22 *(1) Congress and the President should work to-*
23 *gether, without undue delay and in concert with the*
24 *international community, to make comprehensive debt*
25 *relief available to the world's poorest countries in a*

1 *manner that promotes economic growth and poverty*
2 *alleviation;*

3 (2) *this program of bilateral and multilateral*
4 *debt relief should be designed to strengthen and ex-*
5 *pand the private sector, encourage increased trade*
6 *and investment, support the development of free mar-*
7 *kets, and promote broad-scale economic growth in*
8 *beneficiary countries;*

9 (3) *this program of debt relief should also sup-*
10 *port the adoption of policies to alleviate poverty and*
11 *to ensure that benefits are shared widely among the*
12 *population, such as through initiatives to advance*
13 *education, improve health, combat AIDS, and pro-*
14 *mote clean water and environmental protection;*

15 (4) *these debt relief agreements should be de-*
16 *signed and implemented in a transparent manner*
17 *and with the broad participation of the citizenry of*
18 *the debtor country and should ensure that country*
19 *circumstances are adequately taken into account;*

20 (5) *no country should receive the benefits of debt*
21 *relief if that country does not cooperate with the*
22 *United States on terrorism or narcotics enforcement,*
23 *is a gross violator of the human rights of its citizens,*
24 *or is engaged in conflict or spends excessively on its*
25 *military; and*

1 (6) *in order to prevent adverse impact on a key*
2 *industry in many developing countries, the Inter-*
3 *national Monetary Fund must mobilize its own re-*
4 *sources for providing debt relief to eligible countries*
5 *without allowing gold to reach the open market, or*
6 *otherwise adversely affecting the market price of gold.*

7 **SEC. 122. EXECUTIVE BRANCH INITIATIVES.**

8 (a) *STATEMENT OF THE CONGRESS.*—*The Congress*
9 *recognizes that the stated policy of the executive branch in*
10 *1997, the “Partnership for Growth and Opportunity in Af-*
11 *rica” initiative, is a step toward the establishment of a*
12 *comprehensive trade and development policy for sub-Saha-*
13 *ran Africa. It is the sense of the Congress that this Partner-*
14 *ship is a companion to the policy goals set forth in this*
15 *title.*

16 (b) *TECHNICAL ASSISTANCE TO PROMOTE ECONOMIC*
17 *REFORMS AND DEVELOPMENT.*—*In addition to continuing*
18 *bilateral and multilateral economic and development assist-*
19 *ance, the President shall target technical assistance*
20 *toward—*

21 (1) *developing relationships between United*
22 *States firms and firms in sub-Saharan Africa*
23 *through a variety of business associations and net-*
24 *works;*

1 (2) *providing assistance to the governments of*
2 *sub-Saharan African countries to—*

3 (A) *liberalize trade and promote exports;*

4 (B) *bring their legal regimes into compli-*
5 *ance with the standards of the World Trade Or-*
6 *ganization in conjunction with membership in*
7 *that Organization;*

8 (C) *make financial and fiscal reforms; and*

9 (D) *promote greater agribusiness linkages;*

10 (3) *addressing such critical agricultural policy*
11 *issues as market liberalization, agricultural export de-*
12 *velopment, and agribusiness investment in processing*
13 *and transporting agricultural commodities;*

14 (4) *increasing the number of reverse trade mis-*
15 *sions to growth-oriented countries in sub-Saharan Af-*
16 *rica;*

17 (5) *increasing trade in services; and*

18 (6) *encouraging greater sub-Saharan African*
19 *participation in future negotiations in the World*
20 *Trade Organization on services and making further*
21 *commitments in their schedules to the General Agree-*
22 *ment on Trade in Services in order to encourage the*
23 *removal of tariff and nontariff barriers.*

1 **SEC. 123. OVERSEAS PRIVATE INVESTMENT CORPORATION**
2 **INITIATIVES.**

3 (a) *INITIATION OF FUNDS.—It is the sense of the Con-*
4 *gress that the Overseas Private Investment Corporation*
5 *should exercise the authorities it has to initiate an equity*
6 *fund or equity funds in support of projects in the countries*
7 *in sub-Saharan Africa, in addition to the existing equity*
8 *fund for sub-Saharan Africa created by the Corporation.*

9 (b) *STRUCTURE AND TYPES OF FUNDS.—*

10 (1) *STRUCTURE.—Each fund initiated under*
11 *subsection (a) should be structured as a partnership*
12 *managed by professional private sector fund man-*
13 *agers and monitored on a continuing basis by the*
14 *Corporation.*

15 (2) *CAPITALIZATION.—Each fund should be cap-*
16 *italized with a combination of private equity capital,*
17 *which is not guaranteed by the Corporation, and debt*
18 *for which the Corporation provides guaranties.*

19 (3) *INFRASTRUCTURE FUND.—1 or more of the*
20 *funds, with combined assets of up to \$500,000,000,*
21 *should be used in support of infrastructure projects in*
22 *countries of sub-Saharan Africa.*

23 (4) *EMPHASIS.—The Corporation shall ensure*
24 *that the funds are used to provide support in par-*
25 *ticular to women entrepreneurs and to innovative in-*
26 *vestments that expand opportunities for women and*

1 *maximize employment opportunities for poor individ-*
2 *uals.*

3 (c) *OVERSEAS PRIVATE INVESTMENT CORPORATION.*—

4 (1) *INVESTMENT ADVISORY COUNCIL.*—*Section*
5 *233 of the Foreign Assistance Act of 1961 is amended*
6 *by adding at the end the following:*

7 “(e) *INVESTMENT ADVISORY COUNCIL.*—*The Board*
8 *shall take prompt measures to increase the loan, guarantee,*
9 *and insurance programs, and financial commitments, of the*
10 *Corporation in sub-Saharan Africa, including through the*
11 *use of an investment advisory council to assist the Board*
12 *in developing and implementing policies, programs, and fi-*
13 *nancial instruments with respect to sub-Saharan Africa. In*
14 *addition, the investment advisory council shall make rec-*
15 *ommendations to the Board on how the Corporation can*
16 *facilitate greater support by the United States for trade and*
17 *investment with and in sub-Saharan Africa. The invest-*
18 *ment advisory council shall terminate 4 years after the date*
19 *of the enactment of this subsection.”.*

20 (2) *REPORTS TO THE CONGRESS.*—*Within 6*
21 *months after the date of the enactment of this Act,*
22 *and annually for each of the 4 years thereafter, the*
23 *Board of Directors of the Overseas Private Investment*
24 *Corporation shall submit to the Congress a report on*
25 *the steps that the Board has taken to implement sec-*

1 *tion 233(e) of the Foreign Assistance Act of 1961 (as*
2 *added by paragraph (1)) and any recommendations*
3 *of the investment advisory council established pursu-*
4 *ant to such section.*

5 **SEC. 124. EXPORT-IMPORT BANK INITIATIVES.**

6 *(a) SENSE OF CONGRESS.—It is the sense of Congress*
7 *that the Board of Directors of the Bank shall continue to*
8 *take comprehensive measures, consistent with the credit*
9 *standards otherwise required by law, to promote the expan-*
10 *sion of the Bank's financial commitments in sub-Saharan*
11 *Africa under the loan, guarantee and insurance programs*
12 *of the Bank.*

13 *(b) SUB-SAHARAN AFRICA ADVISORY COMMITTEE.—*
14 *The sub-Saharan Africa Advisory Committee (SAAC) is to*
15 *be commended for aiding the Bank in advancing the eco-*
16 *nomie partnership between the United States and the na-*
17 *tions of sub-Saharan Africa by doubling the number of sub-*
18 *Saharan African countries in which the Bank is open for*
19 *traditional financing and by increasing by tenfold the*
20 *Bank's support for sales to sub-Saharan Africa from fiscal*
21 *year 1998 to fiscal year 1999. The Board of Directors of*
22 *the Bank and its staff shall continue to review carefully*
23 *the sub-Saharan Africa Advisory Committee recommenda-*
24 *tions on the development and implementation of new and*

1 *innovative policies and programs designed to promote the*
2 *Bank's expansion in sub-Saharan Africa.*

3 **SEC. 125. EXPANSION OF THE UNITED STATES AND FOR-**
4 **EIGN COMMERCIAL SERVICE IN SUB-SAHA-**
5 **RAN AFRICA.**

6 (a) *FINDINGS.—The Congress makes the following*
7 *findings:*

8 (1) *The United States and Foreign Commercial*
9 *Service (hereafter in this section referred to as the*
10 *'Commercial Service')* *plays an important role in*
11 *helping U.S. businesses identify export opportunities*
12 *and develop reliable sources of information on com-*
13 *mercial prospects in foreign countries.*

14 (2) *During the 1980s, the presence of the Com-*
15 *mercial Service in sub-Saharan Africa consisted of 14*
16 *professionals providing services in 8 countries. By*
17 *early 1997, that presence had been reduced by half to*
18 *7 professionals in only 4 countries.*

19 (3) *Since 1997, the Department of Commerce has*
20 *slowly begun to increase the presence of the Commer-*
21 *cial Service in sub-Saharan Africa, adding 5 full-*
22 *time officers to established posts.*

23 (4) *Although the Commercial Service Officers in*
24 *these countries have regional responsibilities, this*
25 *kind of coverage does not adequately service the needs*

1 *of U.S. businesses attempting to do business in sub-*
2 *Saharan Africa.*

3 *(5) The Congress has, on several occasions, en-*
4 *couraged the Commercial Service to focus its resources*
5 *and efforts in countries or regions in Europe or Asia*
6 *to promote greater United States export activity in*
7 *those markets, and similar encouragement should be*
8 *provided for countries in sub-Saharan Africa as well.*

9 *(6) Because market information is not widely*
10 *available in many sub-Saharan African countries, the*
11 *presence of additional Commercial Service Officers*
12 *and resources can play a significant role in assisting*
13 *United States businesses in markets in those coun-*
14 *tries.*

15 *(b) APPOINTMENTS.—Subject to the availability of ap-*
16 *propriations, by not later than December 31, 2001, the Sec-*
17 *retary of Commerce, acting through the Assistant Secretary*
18 *of Commerce and Director General of the United States and*
19 *Foreign Commercial Service, shall take steps to ensure*
20 *that—*

21 *(1) at least 20 full-time Commercial Service em-*
22 *ployees are stationed in sub-Saharan Africa; and*

23 *(2) full-time Commercial Service employees are*
24 *stationed in not less than 10 different sub-Saharan*
25 *African countries.*

1 (c) *INITIATIVE FOR SUB-SAHARAN AFRICA.*—*In order*
2 *to encourage the export of United States goods and services*
3 *to sub-Saharan African countries, the International Trade*
4 *Administration shall make a special effort to—*

5 (1) *identify United States goods and services*
6 *which are the best prospects for export by United*
7 *States companies to sub-Saharan Africa;*

8 (2) *identify, where appropriate, tariff and non-*
9 *tariff barriers that are preventing or hindering sales*
10 *of United States goods and services to, or the oper-*
11 *ation of United States companies in, sub-Saharan Af-*
12 *rica;*

13 (3) *hold discussions with appropriate authorities*
14 *in sub-Saharan Africa on the matters described in*
15 *paragraphs (1) and (2) with a view to securing in-*
16 *creased market access for United States exporters of*
17 *goods and services;*

18 (4) *identify current resource allocations and per-*
19 *sonnel levels in sub-Saharan Africa for the Commer-*
20 *cial Service and consider plans for the deployment of*
21 *additional resources or personnel to that region; and*

22 (5) *make available to the public, through printed*
23 *and electronic means of communication, the informa-*
24 *tion derived pursuant to paragraphs (1) through (4)*

1 *for each of the 4 years after the date of enactment of*
2 *this Act.*

3 **SEC. 126. DONATION OF AIR TRAFFIC CONTROL EQUIP-**
4 **MENT TO ELIGIBLE SUB-SAHARAN AFRICAN**
5 **COUNTRIES.**

6 *It is the sense of the Congress that, to the extent appro-*
7 *priate, the United States Government should make every*
8 *effort to donate to governments of sub-Saharan African*
9 *countries determined to be eligible under section 104 air*
10 *traffic control equipment that is no longer in use, including*
11 *appropriate related reimbursable technical assistance.*

12 **SEC. 127. ADDITIONAL AUTHORITIES AND INCREASED**
13 **FLEXIBILITY TO PROVIDE ASSISTANCE**
14 **UNDER THE DEVELOPMENT FUND FOR AFRI-**
15 **CA.**

16 *(a) USE OF SUSTAINABLE DEVELOPMENT ASSISTANCE*
17 *TO SUPPORT FURTHER ECONOMIC GROWTH.—It is the*
18 *sense of the Congress that sustained economic growth in sub-*
19 *Saharan Africa depends in large measure upon the develop-*
20 *ment of a receptive environment for trade and investment,*
21 *and that to achieve this objective the United States Agency*
22 *for International Development should continue to support*
23 *programs which help to create this environment. Invest-*
24 *ments in human resources, development, and implementa-*
25 *tion of free market policies, including policies to liberalize*

1 *agricultural markets and improve food security, and the*
2 *support for the rule of law and democratic governance*
3 *should continue to be encouraged and enhanced on a bilat-*
4 *eral and regional basis.*

5 (b) *DECLARATIONS OF POLICY.*—*The Congress makes*
6 *the following declarations:*

7 (1) *The Development Fund for Africa established*
8 *under chapter 10 of part I of the Foreign Assistance*
9 *Act of 1961 (22 U.S.C. 2293 et seq.) has been an effec-*
10 *tive tool in providing development assistance to sub-*
11 *Saharan Africa since 1988.*

12 (2) *The Development Fund for Africa will com-*
13 *plement the other provisions of this title and lay a*
14 *foundation for increased trade and investment oppor-*
15 *tunities between the United States and sub-Saharan*
16 *Africa.*

17 (3) *Assistance provided through the Development*
18 *Fund for Africa will continue to support programs*
19 *and activities that promote the long term economic*
20 *development of sub-Saharan Africa, such as programs*
21 *and activities relating to the following:*

22 (A) *Strengthening primary and vocational*
23 *education systems, especially the acquisition of*
24 *middle-level technical skills for operating modern*
25 *private businesses and the introduction of college*

1 *level business education, including the study of*
2 *international business, finance, and stock ex-*
3 *changes.*

4 *(B) Strengthening health care systems.*

5 *(C) Supporting democratization, good gov-*
6 *ernance and civil society and conflict resolution*
7 *efforts.*

8 *(D) Increasing food security by promoting*
9 *the expansion of agricultural and agriculture-*
10 *based industrial production and productivity*
11 *and increasing real incomes for poor individ-*
12 *uals.*

13 *(E) Promoting an enabling environment for*
14 *private sector-led growth through sustained eco-*
15 *nomie reform, privatization programs, and mar-*
16 *ket-led economic activities.*

17 *(F) Promoting decentralization and local*
18 *participation in the development process, espe-*
19 *cially linking the rural production sectors and*
20 *the industrial and market centers throughout Af-*
21 *rica.*

22 *(G) Increasing the technical and manage-*
23 *rial capacity of sub-Saharan African individuals*
24 *to manage the economy of sub-Saharan Africa.*

1 (H) *Ensuring sustainable economic growth*
2 *through environmental protection.*

3 (4) *The African Development Foundation has a*
4 *unique congressional mandate to empower the poor to*
5 *participate fully in development and to increase op-*
6 *portunities for gainful employment, poverty allevi-*
7 *ation, and more equitable income distribution in sub-*
8 *Saharan Africa. The African Development Founda-*
9 *tion has worked successfully to enhance the role of*
10 *women as agents of change, strengthen the informal*
11 *sector with an emphasis on supporting micro and*
12 *small sized enterprises, indigenous technologies, and*
13 *mobilizing local financing. The African Development*
14 *Foundation should develop and implement strategies*
15 *for promoting participation in the socioeconomic de-*
16 *velopment process of grassroots and informal sector*
17 *groups such as nongovernmental organizations, co-*
18 *operatives, artisans, and traders into the programs*
19 *and initiatives established under this title.*

20 (c) *ADDITIONAL AUTHORITIES.—*

21 (1) *IN GENERAL.—Section 496(h) of the Foreign*
22 *Assistance Act of 1961 (22 U.S.C. 2293(h)) is*
23 *amended—*

24 (A) *by redesignating paragraph (3) as*
25 *paragraph (4); and*

1 (B) by inserting after paragraph (2) the fol-
2 lowing:

3 “(3) *DEMOCRATIZATION AND CONFLICT RESOLU-*
4 *TION CAPABILITIES.*—Assistance under this section
5 may also include program assistance—

6 “(A) to promote democratization, good gov-
7 ernance, and strong civil societies in sub-Saha-
8 ran Africa; and

9 “(B) to strengthen conflict resolution capa-
10 bilities of governmental, intergovernmental, and
11 nongovernmental entities in sub-Saharan Afri-
12 ca.”.

13 (2) *CONFORMING AMENDMENT.*—Section
14 496(h)(4) of such Act, as amended by paragraph (1),
15 is further amended by striking “paragraphs (1) and
16 (2)” in the first sentence and inserting “paragraphs
17 (1), (2), and (3)”.

18 **SEC. 128. ASSISTANCE FROM UNITED STATES PRIVATE SEC-**
19 **TOR TO PREVENT AND REDUCE HIV/AIDS IN**
20 **SUB-SAHARAN AFRICA.**

21 *It is the sense of the Congress that United States busi-*
22 *nesses should be encouraged to provide assistance to sub-*
23 *Saharan African countries to prevent and reduce the inci-*
24 *dence of HIV/AIDS in sub-Saharan Africa. In providing*
25 *such assistance, United States businesses should be encour-*

1 *aged to consider the establishment of an HIV/AIDS Re-*
2 *sponse Fund in order to provide for coordination among*
3 *such businesses in the collection and distribution of the as-*
4 *sistance to sub-Saharan African countries.*

5 **SEC. 129. SENSE OF THE CONGRESS RELATING TO HIV/AIDS**

6 **CRISIS IN SUB-SAHARAN AFRICA.**

7 *(a) FINDINGS.—The Congress finds the following:*

8 *(1) Sustained economic development in sub-Sa-*
9 *haran Africa depends in large measure upon success-*
10 *ful trade with and foreign assistance to the countries*
11 *of sub-Saharan Africa.*

12 *(2) The HIV/AIDS crisis has reached epidemic*
13 *proportions in sub-Saharan Africa, where more than*
14 *21,000,000 men, women, and children are infected*
15 *with HIV.*

16 *(3) 83 percent of the estimated 11,700,000 deaths*
17 *from HIV/AIDS worldwide have been in sub-Saharan*
18 *Africa.*

19 *(4) The HIV/AIDS crisis in sub-Saharan Africa*
20 *is weakening the structure of families and societies.*

21 *(5)(A) The HIV/AIDS crisis threatens the future*
22 *of the workforce in sub-Saharan Africa.*

23 *(B) Studies show that HIV/AIDS in sub-Saha-*
24 *ran Africa most severely affects individuals between*
25 *the ages of 15 and 49—the age group that provides*

1 *the most support for the economies of sub-Saharan Af-*
2 *rican countries.*

3 (6) *Clear evidence demonstrates that HIV/AIDS*
4 *is destructive to the economies of sub-Saharan African*
5 *countries.*

6 (7) *Sustained economic development is critical to*
7 *creating the public and private sector resources in*
8 *sub-Saharan Africa necessary to fight the HIV/AIDS*
9 *epidemic.*

10 (b) *SENSE OF THE CONGRESS.—It is the sense of the*
11 *Congress that—*

12 (1) *addressing the HIV/AIDS crisis in sub-Saha-*
13 *ran Africa should be a central component of United*
14 *States foreign policy with respect to sub-Saharan Af-*
15 *rica;*

16 (2) *significant progress needs to be made in pre-*
17 *venting and treating HIV/AIDS in sub-Saharan Afri-*
18 *ca in order to sustain a mutually beneficial trade re-*
19 *lationship between the United States and sub-Saha-*
20 *ran African countries; and*

21 (3) *the HIV/AIDS crisis in sub-Saharan Africa*
22 *is a global threat that merits further attention*
23 *through greatly expanded public, private, and joint*
24 *public-private efforts, and through appropriate*
25 *United States legislation.*

1 **SEC. 130. STUDY ON IMPROVING AFRICAN AGRICULTURAL**
2 **PRACTICES.**

3 (a) *IN GENERAL.*—*The Secretary of Agriculture, in*
4 *consultation with American Land Grant Colleges and Uni-*
5 *versities and not-for-profit international organizations, is*
6 *authorized to conduct a 2-year study on ways to improve*
7 *the flow of American farming techniques and practices to*
8 *African farmers. The study shall include an examination*
9 *of ways of improving or utilizing—*

10 (1) *knowledge of insect and sanitation proce-*
11 *dures;*

12 (2) *modern farming and soil conservation tech-*
13 *niques;*

14 (3) *modern farming equipment (including main-*
15 *taining the equipment);*

16 (4) *marketing crop yields to prospective pur-*
17 *chasers; and*

18 (5) *crop maximization practices.*

19 *The Secretary of Agriculture shall submit the study to the*
20 *Committee on Agriculture, Nutrition, and Forestry of the*
21 *Senate and the Committee on Agriculture of the House of*
22 *Representatives not later than September 30, 2001.*

23 (b) *LAND GRANT COLLEGES AND NOT-FOR-PROFIT IN-*
24 *STITUTIONS.*—*In conducting the study under subsection*
25 *(a), the Secretary of Agriculture is encouraged to consult*
26 *with American Land Grant Colleges and not-for-profit*

1 *international organizations that have firsthand knowledge*
2 *of current African farming practices.*

3 **SEC. 131. SENSE OF THE CONGRESS REGARDING EFFORTS**
4 **TO COMBAT DESERTIFICATION IN AFRICA**
5 **AND OTHER COUNTRIES.**

6 (a) *FINDINGS.—The Congress finds that—*

7 (1) *desertification affects approximately one-*
8 *sixth of the world's population and one-quarter of the*
9 *total land area;*

10 (2) *over 1,000,000 hectares of Africa are affected*
11 *by desertification;*

12 (3) *dryland degradation is an underlying cause*
13 *of recurrent famine in Africa;*

14 (4) *the United Nations Environment Programme*
15 *estimates that desertification costs the world*
16 *\$42,000,000,000 a year, not including incalculable*
17 *costs in human suffering; and*

18 (5) *the United States can strengthen its partner-*
19 *ships throughout Africa and other countries affected*
20 *by desertification, help alleviate social and economic*
21 *crises caused by misuse of natural resources, and re-*
22 *duce dependence on foreign aid, by taking a leading*
23 *role to combat desertification.*

24 (b) *SENSE OF THE CONGRESS.—It is the sense of the*
25 *Congress that the United States should expeditiously work*

1 *with the international community, particularly Africa and*
2 *other countries affected by desertification, to—*

3 *(1) strengthen international cooperation to com-*
4 *bat desertification;*

5 *(2) promote the development of national and re-*
6 *gional strategies to address desertification and in-*
7 *crease public awareness of this serious problem and*
8 *its effects;*

9 *(3) develop and implement national action pro-*
10 *grams that identify the causes of desertification and*
11 *measures to address it; and*

12 *(4) recognize the essential role of local govern-*
13 *ments and nongovernmental organizations in devel-*
14 *oping and implementing measures to address*
15 *desertification.*

16 ***TITLE II—TRADE BENEFITS FOR***
17 ***CARIBBEAN BASIN***

18 ***Subtitle A—Trade Policy for***
19 ***Caribbean Basin Countries***

20 ***SEC. 201. SHORT TITLE.***

21 *This title may be cited as the “United States-Carib-*
22 *bean Basin Trade Partnership Act”.*

23 ***SEC. 202. FINDINGS AND POLICY.***

24 *(a) FINDINGS.—Congress makes the following findings:*

1 (1) *The Caribbean Basin Economic Recovery Act*
2 (in this title referred to as “CBERA”) represents a
3 permanent commitment by the United States to en-
4 courage the development of strong democratic govern-
5 ments and revitalized economies in neighboring coun-
6 tries in the Caribbean Basin.

7 (2) *In 1998, Hurricane Mitch and Hurricane*
8 *Georges devastated areas in the Caribbean Basin re-*
9 *gion, killing more than 10,000 people and leaving*
10 *3,000,000 homeless.*

11 (3) *The total direct impact of Hurricanes Mitch*
12 *and Georges on Honduras, Nicaragua, the Dominican*
13 *Republic, El Salvador, and Guatemala amounts to*
14 *\$4,200,000,000, representing a severe loss to income*
15 *levels in this underdeveloped region.*

16 (4) *In addition to short term disaster assistance,*
17 *United States policy toward the region should focus*
18 *on expanding international trade with the Caribbean*
19 *Basin region as an enduring solution for successful*
20 *economic growth and recovery.*

21 (5) *Thirty-four democratically elected leaders*
22 *agreed at the 1994 Summit of the Americas to con-*
23 *clude negotiation of a Free Trade Area of the Amer-*
24 *icas (in this title referred to as “FTAA”) by the year*
25 *2005.*

1 (6) *The economic security of the countries in the*
2 *Caribbean Basin will be enhanced by the completion*
3 *of the FTAA.*

4 (7) *Offering temporary benefits to Caribbean*
5 *Basin countries will preserve the United States com-*
6 *mitment to Caribbean Basin beneficiary countries,*
7 *promote the growth of free enterprise and economic*
8 *opportunity in these neighboring countries, and there-*
9 *by enhance the national security interests of the*
10 *United States.*

11 (8) *Given the greater propensity of countries lo-*
12 *cated in the Western Hemisphere to use United States*
13 *components and to purchase United States products*
14 *compared to other countries, increased trade and eco-*
15 *nomi c activity between the United States and coun-*
16 *tries in the Western Hemisphere will create new jobs*
17 *in the United States as a result of expanding export*
18 *opportunities.*

19 (b) *POLICY.—It is the policy of the United States—*

20 (1) *to offer Caribbean Basin beneficiary coun-*
21 *tries willing to prepare to become a party to the*
22 *FTAA or another free trade agreement, tariff treat-*
23 *ment essentially equivalent to that accorded to prod-*
24 *ucts of NAFTA countries for certain products not cur-*

1 rently eligible for duty-free treatment under the
2 CBERA; and

3 (2) to seek the participation of Caribbean Basin
4 beneficiary countries in the FTAA or another free
5 trade agreement at the earliest possible date, with the
6 goal of achieving full participation in such agreement
7 not later than 2005.

8 **SEC. 203. DEFINITIONS.**

9 *In this title:*

10 (1) *NAFTA.*—The term “NAFTA” means the
11 North American Free Trade Agreement entered into
12 between the United States, Mexico, and Canada on
13 December 17, 1992.

14 (2) *NAFTA COUNTRY.*—The term “NAFTA
15 country” means any country with respect to which
16 the NAFTA is in force.

17 (3) *WTO AND WTO MEMBER.*—The terms
18 “WTO” and “WTO member” have the meanings given
19 those terms in section 2 of the Uruguay Round Agree-
20 ments Act (19 U.S.C. 3501).

1 ***Subtitle B—Trade Benefits for***
2 ***Caribbean Basin Countries***

3 ***SEC. 211. TEMPORARY PROVISIONS TO PROVIDE ADDI-***
4 ***TIONAL TRADE BENEFITS TO CERTAIN BENE-***
5 ***FICIARY COUNTRIES.***

6 (a) *TEMPORARY PROVISIONS.*—Section 213(b) of the
7 *Caribbean Basin Economic Recovery Act (19 U.S.C.*
8 *2703(b)) is amended to read as follows:*

9 “(b) *IMPORT-SENSITIVE ARTICLES.*—

10 “(1) *IN GENERAL.*—Subject to paragraphs (2)
11 *through (5), the duty-free treatment provided under*
12 *this title does not apply to—*

13 “(A) *textile and apparel articles which were*
14 *not eligible articles for purposes of this title on*
15 *January 1, 1994, as this title was in effect on*
16 *that date;*

17 “(B) *footwear not designated at the time of*
18 *the effective date of this title as eligible articles*
19 *for the purpose of the generalized system of pref-*
20 *erences under title V of the Trade Act of 1974;*

21 “(C) *tuna, prepared or preserved in any*
22 *manner, in airtight containers;*

23 “(D) *petroleum, or any product derived*
24 *from petroleum, provided for in headings 2709*
25 *and 2710 of the HTS;*

1 “(E) watches and watch parts (including
2 cases, bracelets, and straps), of whatever type in-
3 cluding, but not limited to, mechanical, quartz
4 digital or quartz analog, if such watches or
5 watch parts contain any material which is the
6 product of any country with respect to which
7 HTS column 2 rates of duty apply; or

8 “(F) articles to which reduced rates of duty
9 apply under subsection (h).

10 “(2) TRANSITION PERIOD TREATMENT OF CER-
11 TAIN TEXTILE AND APPAREL ARTICLES.—

12 “(A) ARTICLES COVERED.—During the
13 transition period, the preferential treatment de-
14 scribed in subparagraph (B) shall apply to the
15 following articles:

16 “(i) APPAREL ARTICLES ASSEMBLED
17 IN A CBTPA BENEFICIARY COUNTRY.—Ap-
18 parel articles assembled in a CBTPA bene-
19 ficiary country from fabrics wholly formed
20 and cut in the United States, from yarns
21 wholly formed in the United States, that
22 are—

23 “(I) entered under subheading
24 9802.00.80 of the HTS; or

1 “(II) entered under chapter 61 or
2 62 of the HTS, if, after such assembly,
3 the articles would have qualified for
4 entry under subheading 9802.00.80 of
5 the HTS but for the fact that the arti-
6 cles were embroidered or subjected to
7 stone-washing, enzyme-washing, acid
8 washing, perma-pressing, oven-baking,
9 bleaching, garment-dyeing, screen
10 printing, or other similar processes.

11 “(ii) APPAREL ARTICLES CUT AND AS-
12 SEMBLED IN ONE OR MORE CBTPA BENE-
13 FICIARY COUNTRIES.—Apparel articles cut
14 in a CBTPA beneficiary country from fab-
15 ric wholly formed in the United States from
16 yarns wholly formed in the United States,
17 if such articles are assembled in such coun-
18 try with thread formed in the United
19 States.

20 “(iii) CERTAIN KNIT APPAREL ARTI-
21 CLES.—(I) Apparel articles knit to shape
22 (other than socks provided for in heading
23 6115 of the HTS) in a CBTPA beneficiary
24 country from yarns wholly formed in the
25 United States, and knit apparel articles

1 *(other than t-shirts described in subclause*
2 *(III)) cut and wholly assembled in 1 or*
3 *more CBTPA beneficiary countries from*
4 *fabric formed in one or more CBTPA bene-*
5 *ficiary countries or the United States from*
6 *yarns wholly formed in the United States,*
7 *in an amount not exceeding the amount set*
8 *forth in subclause (II).*

9 *“(II) The amount referred to in sub-*
10 *clause (I) is—*

11 *“(aa) 250,000,000 square meter*
12 *equivalents during the 1-year period*
13 *beginning on October 1, 2000, in-*
14 *creased by 16 percent, compounded an-*
15 *nually, in each succeeding 1-year pe-*
16 *riod through September 30, 2004; and*

17 *“(bb) in each 1-year period there-*
18 *after through September 30, 2008, the*
19 *amount in effect for the 1-year period*
20 *ending on September 30, 2004.*

21 *“(III) T-shirts, other than underwear,*
22 *classifiable under subheadings 6109.10.00*
23 *and 6109.90.10 of the HTS, made in one or*
24 *more CBTPA beneficiary countries from*
25 *fabric formed in one or more CBTPA bene-*

1 *ficiary countries from yarns wholly formed*
2 *in the United States, in an amount not ex-*
3 *ceeding the amount set forth in subclause*
4 *(IV).*

5 “(IV) *the amount referred to in sub-*
6 *clause (III) is—*

7 “(aa) *4,200,000 dozen during the*
8 *1-year period beginning on October 1,*
9 *2000, increased by 16 percent, com-*
10 *pounded annually, in each succeeding*
11 *1-year period through September 30,*
12 *2004; and*

13 “(bb) *in each 1-year period there-*
14 *after, the amount in effect for the 1-*
15 *year period ending on September 30,*
16 *2004.*

17 “(iv) *CERTAIN OTHER APPAREL ARTI-*
18 *CLES.—(I) Subject to subclause (II), any*
19 *apparel article classifiable under sub-*
20 *heading 6212.10 of the HTS, if the article*
21 *is both cut and sewn or otherwise assembled*
22 *in the United States, or 1 or more of the*
23 *CBTPA beneficiary countries, or both.*

24 “(II) *During the 1-year period begin-*
25 *ning on October 1, 2001, and during each*

1 *of the 6 succeeding 1-year periods, apparel*
2 *articles described in subclause (I) of a pro-*
3 *ducer or an entity controlling production*
4 *shall be eligible for preferential treatment*
5 *under subparagraph (B) only if the aggre-*
6 *gate cost of fabric components formed in the*
7 *United States that are used in the produc-*
8 *tion of all such articles of that producer or*
9 *entity during the preceding 1-year period is*
10 *at least 75 percent of the aggregate declared*
11 *customs value of the fabric contained in all*
12 *such articles of that producer or entity that*
13 *are entered during the preceding 1-year pe-*
14 *riod.*

15 *“(III) The United States Customs*
16 *Service shall develop and implement meth-*
17 *ods and procedures to ensure ongoing com-*
18 *pliance with the requirement set forth in*
19 *subclause (II). If the Customs Service finds*
20 *that a producer or an entity controlling*
21 *production has not satisfied such require-*
22 *ment in a 1-year period, then apparel arti-*
23 *cles described in subclause (I) of that pro-*
24 *ducer or entity shall be ineligible for pref-*
25 *erential treatment under subparagraph (B)*

1 *during any succeeding 1-year period until*
2 *the aggregate cost of fabric components*
3 *formed in the United States used in the*
4 *production of such articles of that producer*
5 *or entity in the preceding 1-year period is*
6 *at least 85 percent of the aggregate declared*
7 *customs value of the fabric contained in all*
8 *such articles of that producer or entity that*
9 *are entered during the preceding 1-year pe-*
10 *riod.*

11 “(v) *APPAREL ARTICLES ASSEMBLED*
12 *FROM FIBERS, FABRIC, OR YARN NOT WIDE-*
13 *LY AVAILABLE IN COMMERCIAL QUAN-*
14 *TITIES.—(I) Apparel articles that are both*
15 *cut (or knit-to-shape) and sewn or otherwise*
16 *assembled in 1 or more CBTPA beneficiary*
17 *countries, from fibers, fabric, or yarn that*
18 *is not formed in the United States or in 1*
19 *or more CBTPA beneficiary countries, to*
20 *the extent that such fibers, fabric, or yarn*
21 *would be eligible for preferential treatment,*
22 *without regard to the source of the fibers,*
23 *fabric, or yarn, under Annex 401 of the*
24 *NAFTA.*

1 “(II) *At the request of any interested*
2 *party, the President is authorized to pro-*
3 *claim additional fibers, fabric, and yarn as*
4 *eligible for preferential treatment under*
5 *subclause (I) if—*

6 “(aa) *the President determines*
7 *that such fibers, fabric, or yarn cannot*
8 *be supplied by the domestic industry*
9 *in commercial quantities in a timely*
10 *manner;*

11 “(bb) *the President has obtained*
12 *advice regarding the proposed action*
13 *from the appropriate advisory com-*
14 *mittee established under section 135 of*
15 *the Trade Act of 1974 (19 U.S.C.*
16 *2155) and the United States Inter-*
17 *national Trade Commission;*

18 “(cc) *within 60 days after the re-*
19 *quest, the President has submitted a re-*
20 *port to the Committee on Ways and*
21 *Means of the House of Representatives*
22 *and the Committee on Finance of the*
23 *Senate that sets forth the action pro-*
24 *posed to be proclaimed and the reasons*

1 *for such actions, and the advice ob-*
2 *tained under division (bb);*

3 “(dd) *a period of 60 calendar*
4 *days, beginning with the first day on*
5 *which the President has met the re-*
6 *quirements of division (cc), has ex-*
7 *pired; and*

8 “(ee) *the President has consulted*
9 *with such committees regarding the*
10 *proposed action during the period re-*
11 *ferred to in division (cc).*

12 “(vi) *HANDLOOMED, HANDMADE, AND*
13 *FOLKLORE ARTICLES.—A handloomed,*
14 *handmade, or folklore article of a CBTPA*
15 *beneficiary country identified under sub-*
16 *paragraph (C) that is certified as such by*
17 *the competent authority of such beneficiary*
18 *country.*

19 “(vii) *SPECIAL RULES.—*

20 “(I) *EXCEPTION FOR FINDINGS*
21 *AND TRIMMINGS.—(aa) An article oth-*
22 *erwise eligible for preferential treat-*
23 *ment under this paragraph shall not be*
24 *ineligible for such treatment because*
25 *the article contains findings or trim-*

1 mings of foreign origin, if such find-
2 ings and trimmings do not exceed 25
3 percent of the cost of the components of
4 the assembled product. Examples of
5 findings and trimmings are sewing
6 thread, hooks and eyes, snaps, buttons,
7 'bow buds,' decorative lace, trim, elas-
8 tic strips, zippers, including zipper
9 tapes and labels, and other similar
10 products. Elastic strips are considered
11 findings or trimmings only if they are
12 each less than 1 inch in width and are
13 used in the production of brassieres.

14 “(bb) In the case of an article de-
15 scribed in clause (ii) of this subpara-
16 graph, sewing thread shall not be treat-
17 ed as findings or trimmings under this
18 subclause.

19 “(II) CERTAIN INTERLINING.—
20 (aa) An article otherwise eligible for
21 preferential treatment under this para-
22 graph shall not be ineligible for such
23 treatment because the article contains
24 certain interlinings of foreign origin, if
25 the value of such interlinings (and any

1 *findings and trimmings) does not ex-*
2 *ceed 25 percent of the cost of the com-*
3 *ponents of the assembled article.*

4 “(bb) *Interlinings eligible for the*
5 *treatment described in division (aa)*
6 *include only a chest type plate, ‘hymo’*
7 *piece, or ‘sleeve header’, of woven or*
8 *weft-inserted warp knit construction*
9 *and of coarse animal hair or man-*
10 *made filaments.*

11 “(cc) *The treatment described in*
12 *this subclause shall terminate if the*
13 *President makes a determination that*
14 *United States manufacturers are pro-*
15 *ducing such interlinings in the United*
16 *States in commercial quantities.*

17 “(III) *DE MINIMIS RULE.—An ar-*
18 *ticle that would otherwise be ineligible*
19 *for preferential treatment under this*
20 *paragraph because the article contains*
21 *fibers or yarns not wholly formed in*
22 *the United States or in 1 or more*
23 *CBTPA beneficiary countries shall not*
24 *be ineligible for such treatment if the*
25 *total weight of all such fibers or yarns*

1 *is not more than 7 percent of the total*
2 *weight of the good. Notwithstanding*
3 *the preceding sentence, an apparel ar-*
4 *ticle containing elastomeric yarns shall*
5 *be eligible for preferential treatment*
6 *under this paragraph only if such*
7 *yarns are wholly formed in the United*
8 *States.*

9 “(IV) *SPECIAL ORIGIN RULE.—An*
10 *article otherwise eligible for pref-*
11 *erential treatment under clause (i) or*
12 *(ii) of this subparagraph shall not be*
13 *ineligible for such treatment because*
14 *the article contains nylon filament*
15 *yarn (other than elastomeric yarn)*
16 *that is entered under subheading*
17 *5402.10.30, 5402.10.60, 5402.31.30,*
18 *5402.31.60, 5402.32.30, 5402.32.60,*
19 *5402.41.10, 5402.41.90, 5402.51.00, or*
20 *5402.61.00 of the HTS duty-free from*
21 *a country that is a party to an agree-*
22 *ment with the United States estab-*
23 *lishing a free trade area, which entered*
24 *into force before January 1, 1995.*

1 “(vii) *TEXTILE LUGGAGE.—Textile*
2 *luggage—*

3 “(I) *assembled in a CBTPA bene-*
4 *ficiary country from fabric wholly*
5 *formed and cut in the United States,*
6 *from yarns wholly formed in the*
7 *United States, that is entered under*
8 *subheading 9802.00.80 of the HTS; or*

9 “(II) *assembled from fabric cut in*
10 *a CBTPA beneficiary country from*
11 *fabric wholly formed in the United*
12 *States from yarns wholly formed in the*
13 *United States.*

14 “(B) *PREFERENTIAL TREATMENT.—Except*
15 *as provided in subparagraph (E), during the*
16 *transition period, the articles to which this sub-*
17 *paragraph applies shall enter the United States*
18 *free of duty and free of any quantitative restric-*
19 *tions, limitations, or consultation levels.*

20 “(C) *HANDLOOMED, HANDMADE, AND FOLK-*
21 *LORE ARTICLES.—For purposes of subparagraph*
22 *(A)(vi), the President shall consult with rep-*
23 *resentatives of the CBTPA beneficiary countries*
24 *concerned for the purpose of identifying par-*
25 *ticular textile and apparel goods that are mutu-*

1 *ally agreed upon as being handloomed, hand-*
2 *made, or folklore goods of a kind described in*
3 *section 2.3 (a), (b), or (c) of the Annex or Ap-*
4 *pendix 3.1.B.11 of the Annex.*

5 “(D) *PENALTIES FOR TRANSSHIPMENTS.*—

6 “(i) *PENALTIES FOR EXPORTERS.*—*If*
7 *the President determines, based on sufficient*
8 *evidence, that an exporter has engaged in*
9 *transshipment with respect to textile or ap-*
10 *parel articles from a CBTPA beneficiary*
11 *country, then the President shall deny all*
12 *benefits under this title to such exporter,*
13 *and any successor of such exporter, for a pe-*
14 *riod of 2 years.*

15 “(ii) *PENALTIES FOR COUNTRIES.*—

16 *Whenever the President finds, based on suf-*
17 *ficient evidence, that transshipment has oc-*
18 *curred, the President shall request that the*
19 *CBTPA beneficiary country or countries*
20 *through whose territory the transshipment*
21 *has occurred take all necessary and appro-*
22 *priate actions to prevent such trans-*
23 *shipment. If the President determines that a*
24 *country is not taking such actions, the*
25 *President shall reduce the quantities of tex-*

1 *tile and apparel articles that may be im-*
2 *ported into the United States from such*
3 *country by the quantity of the transshipped*
4 *articles multiplied by 3, to the extent con-*
5 *sistent with the obligations of the United*
6 *States under the WTO.*

7 “(iii) *TRANSSHIPMENT DESCRIBED.—*
8 *Transshipment within the meaning of this*
9 *subparagraph has occurred when pref-*
10 *erential treatment under subparagraph (B)*
11 *has been claimed for a textile or apparel ar-*
12 *ticle on the basis of material false informa-*
13 *tion concerning the country of origin, man-*
14 *ufacture, processing, or assembly of the arti-*
15 *cle or any of its components. For purposes*
16 *of this clause, false information is material*
17 *if disclosure of the true information would*
18 *mean or would have meant that the article*
19 *is or was ineligible for preferential treat-*
20 *ment under subparagraph (B).*

21 “(E) *BILATERAL EMERGENCY ACTIONS.—*

22 “(i) *IN GENERAL.—The President may*
23 *take bilateral emergency tariff actions of a*
24 *kind described in section 4 of the Annex*
25 *with respect to any apparel article im-*

1 ported from a CBTPA beneficiary country
2 if the application of tariff treatment under
3 subparagraph (B) to such article results in
4 conditions that would be cause for the tak-
5 ing of such actions under such section 4
6 with respect to a like article described in the
7 same 8-digit subheading of the HTS that is
8 imported from Mexico.

9 “(ii) *RULES RELATING TO BILATERAL*
10 *EMERGENCY ACTION.*—For purposes of ap-
11 plying bilateral emergency action under
12 this subparagraph—

13 “(I) the requirements of para-
14 graph (5) of section 4 of the Annex (re-
15 lating to providing compensation)
16 shall not apply;

17 “(II) the term ‘transition period’
18 in section 4 of the Annex shall have the
19 meaning given that term in paragraph
20 (5)(D) of this subsection; and

21 “(III) the requirements to consult
22 specified in section 4 of the Annex
23 shall be treated as satisfied if the
24 President requests consultations with
25 the CBTPA beneficiary country in

1 *question and the country does not*
2 *agree to consult within the time period*
3 *specified under section 4.*

4 “(3) *TRANSITION PERIOD TREATMENT OF CER-*
5 *TAIN OTHER ARTICLES ORIGINATING IN BENEFICIARY*
6 *COUNTRIES.—*

7 “(A) *EQUIVALENT TARIFF TREATMENT.—*

8 “(i) *IN GENERAL.—Subject to clause*
9 *(ii), the tariff treatment accorded at any*
10 *time during the transition period to any*
11 *article referred to in any of subparagraphs*
12 *(B) through (F) of paragraph (1) that is a*
13 *CBTPA originating good shall be identical*
14 *to the tariff treatment that is accorded at*
15 *such time under Annex 302.2 of the NAFTA*
16 *to an article described in the same 8-digit*
17 *subheading of the HTS that is a good of*
18 *Mexico and is imported into the United*
19 *States.*

20 “(ii) *EXCEPTION.—Clause (i) does not*
21 *apply to any article accorded duty-free*
22 *treatment under U.S. Note 2(b) to sub-*
23 *chapter II of chapter 98 of the HTS.*

24 “(B) *RELATIONSHIP TO SUBSECTION (h)*
25 *DUTY REDUCTIONS.—If at any time during the*

1 *transition period the rate of duty that would*
2 *(but for action taken under subparagraph (A)(i)*
3 *in regard to such period) apply with respect to*
4 *any article under subsection (h) is a rate of duty*
5 *that is lower than the rate of duty resulting from*
6 *such action, then such lower rate of duty shall be*
7 *applied for the purposes of implementing such*
8 *action.*

9 *“(4) CUSTOMS PROCEDURES.—*

10 *“(A) IN GENERAL.—*

11 *“(i) REGULATIONS.—Any importer*
12 *that claims preferential treatment under*
13 *paragraph (2) or (3) shall comply with cus-*
14 *toms procedures similar in all material re-*
15 *spects to the requirements of Article 502(1)*
16 *of the NAFTA as implemented pursuant to*
17 *United States law, in accordance with regu-*
18 *lations promulgated by the Secretary of the*
19 *Treasury.*

20 *“(ii) DETERMINATION.—*

21 *“(I) IN GENERAL.—In order to*
22 *qualify for the preferential treatment*
23 *under paragraph (2) or (3) and for a*
24 *Certificate of Origin to be valid with*
25 *respect to any article for which such*

1 *treatment is claimed, there shall be in*
2 *effect a determination by the President*
3 *that each country described in sub-*
4 *clause (II)—*

5 *“(aa) has implemented and*
6 *follows, or*

7 *“(bb) is making substantial*
8 *progress toward implementing*
9 *and following,*
10 *procedures and requirements similar*
11 *in all material respects to the relevant*
12 *procedures and requirements under*
13 *chapter 5 of the NAFTA.*

14 *“(II) COUNTRY DESCRIBED.—A*
15 *country is described in this subclause if*
16 *it is a CBTPA beneficiary country—*

17 *“(aa) from which the article*
18 *is exported, or*

19 *“(bb) in which materials*
20 *used in the production of the arti-*
21 *cle originate or in which the arti-*
22 *cle or such materials undergo pro-*
23 *duction that contributes to a*
24 *claim that the article is eligible*

1 *for preferential treatment under*
2 *paragraph (2) or (3).*

3 “(B) *CERTIFICATE OF ORIGIN.*—*The Certifi-*
4 *cate of Origin that otherwise would be required*
5 *pursuant to the provisions of subparagraph (A)*
6 *shall not be required in the case of an article im-*
7 *ported under paragraph (2) or (3) if such Cer-*
8 *tificate of Origin would not be required under*
9 *Article 503 of the NAFTA (as implemented pur-*
10 *suant to United States law), if the article were*
11 *imported from Mexico.*

12 “(C) *REPORT BY USTR ON COOPERATION OF*
13 *OTHER COUNTRIES CONCERNING CIRCUMVEN-*
14 *TION.*—*The United States Commissioner of Cus-*
15 *toms shall conduct a study analyzing the extent*
16 *to which each CBTPA beneficiary country—*

17 “(i) *has cooperated fully with the*
18 *United States, consistent with its domestic*
19 *laws and procedures, in instances of cir-*
20 *cumvention or alleged circumvention of ex-*
21 *isting quotas on imports of textile and ap-*
22 *parel goods, to establish necessary relevant*
23 *facts in the places of import, export, and,*
24 *where applicable, transshipment, including*
25 *investigation of circumvention practices, ex-*

1 *changes of documents, correspondence, re-*
2 *ports, and other relevant information, to the*
3 *extent such information is available;*

4 “(ii) *has taken appropriate measures,*
5 *consistent with its domestic laws and proce-*
6 *dures, against exporters and importers in-*
7 *volved in instances of false declaration con-*
8 *cerning fiber content, quantities, descrip-*
9 *tion, classification, or origin of textile and*
10 *apparel goods; and*

11 “(iii) *has penalized the individuals*
12 *and entities involved in any such cir-*
13 *cumvention, consistent with its domestic*
14 *laws and procedures, and has worked closely*
15 *to seek the cooperation of any third country*
16 *to prevent such circumvention from taking*
17 *place in that third country.*

18 *The Trade Representative shall submit to Con-*
19 *gress, not later than October 1, 2001, a report on*
20 *the study conducted under this subparagraph.*

21 “(5) *DEFINITIONS AND SPECIAL RULES.—For*
22 *purposes of this subsection—*

23 “(A) *ANNEX.—The term ‘the Annex’ means*
24 *Annex 300–B of the NAFTA.*

1 “(B) *CBTPA BENEFICIARY COUNTRY.*—*The*
2 *term ‘CBTPA beneficiary country’ means any*
3 *beneficiary country’, as defined in section*
4 *212(a)(1)(A) of this title, which the President*
5 *designates as a CBTPA beneficiary country, tak-*
6 *ing into account the criteria contained in sub-*
7 *sections (b) and (c) of section 212 and other ap-*
8 *propriate criteria, including the following:*

9 “(i) *Whether the beneficiary country*
10 *has demonstrated a commitment to—*

11 “(I) *undertake its obligations*
12 *under the WTO, including those agree-*
13 *ments listed in section 101(d) of the*
14 *Uruguay Round Agreements Act, on or*
15 *ahead of schedule; and*

16 “(II) *participate in negotiations*
17 *toward the completion of the FTAA or*
18 *another free trade agreement.*

19 “(ii) *The extent to which the country*
20 *provides protection of intellectual property*
21 *rights consistent with or greater than the*
22 *protection afforded under the Agreement on*
23 *Trade-Related Aspects of Intellectual Prop-*
24 *erty Rights described in section 101(d)(15)*
25 *of the Uruguay Round Agreements Act.*

1 “(iii) *The extent to which the country*
2 *provides internationally recognized worker*
3 *rights, including—*

4 “(I) *the right of association,*

5 “(II) *the right to organize and*
6 *bargain collectively,*

7 “(III) *a prohibition on the use of*
8 *any form of forced or compulsory*
9 *labor,*

10 “(IV) *a minimum age for the em-*
11 *ployment of children, and*

12 “(V) *acceptable conditions of work*
13 *with respect to minimum wages, hours*
14 *of work, and occupational safety and*
15 *health;*

16 “(iv) *Whether the country has imple-*
17 *mented its commitments to eliminate the*
18 *worst forms of child labor, as defined in sec-*
19 *tion 507(6) of the Trade Act of 1974.*

20 “(v) *The extent to which the country*
21 *has met the counter-narcotics certification*
22 *criteria set forth in section 490 of the For-*
23 *oreign Assistance Act of 1961 (22 U.S.C.*
24 *2291j) for eligibility for United States as-*
25 *sistance.*

1 “(vi) *The extent to which the country*
2 *has taken steps to become a party to and*
3 *implements the Inter-American Convention*
4 *Against Corruption.*

5 “(vii) *The extent to which the*
6 *country—*

7 “(I) *applies transparent, non-*
8 *discriminatory, and competitive proce-*
9 *dures in government procurement*
10 *equivalent to those contained in the*
11 *Agreement on Government Procure-*
12 *ment described in section 101(d)(17) of*
13 *the Uruguay Round Agreements Act;*
14 *and*

15 “(II) *contributes to efforts in*
16 *international fora to develop and im-*
17 *plement international rules in trans-*
18 *parency in government procurement.*

19 “(C) *CBTPA ORIGINATING GOOD.—*

20 “(i) *IN GENERAL.—The term ‘CBTPA*
21 *originating good’ means a good that meets*
22 *the rules of origin for a good set forth in*
23 *chapter 4 of the NAFTA as implemented*
24 *pursuant to United States law.*

1 “(ii) *APPLICATION OF CHAPTER 4.—In*
2 *applying chapter 4 of the NAFTA with re-*
3 *spect to a CBTPA beneficiary country for*
4 *purposes of this subsection—*

5 “(I) *no country other than the*
6 *United States and a CBTPA bene-*
7 *ficiary country may be treated as*
8 *being a party to the NAFTA;*

9 “(II) *any reference to trade be-*
10 *tween the United States and Mexico*
11 *shall be deemed to refer to trade be-*
12 *tween the United States and a CBTPA*
13 *beneficiary country;*

14 “(III) *any reference to a party*
15 *shall be deemed to refer to a CBTPA*
16 *beneficiary country or the United*
17 *States; and*

18 “(IV) *any reference to parties*
19 *shall be deemed to refer to any com-*
20 *bination of CBTPA beneficiary coun-*
21 *tries or to the United States and 1 or*
22 *more CBTPA beneficiary countries (or*
23 *any combination thereof).*

24 “(D) *TRANSITION PERIOD.—The term ‘tran-*
25 *sition period’ means, with respect to a CBTPA*

1 *beneficiary country, the period that begins on*
2 *October 1, 2000, and ends on the earlier of—*

3 *“(i) September 30, 2008, or*

4 *“(ii) the date on which the FTAA or*
5 *another free trade agreement that makes*
6 *substantial progress in achieving the negoti-*
7 *ating objectives set forth in 108(b)(5) of*
8 *Public Law 103–182 (19 U.S.C. 3317(b)(5))*
9 *enters into force with respect to the United*
10 *States and the CBTPA beneficiary country.*

11 *“(E) CBTPA.—The term ‘CBTPA’ means*
12 *the United States-Caribbean Basin Trade Part-*
13 *nership Act.*

14 *“(F) FTAA.—The term ‘FTAA’ means the*
15 *Free Trade Area of the Americas.”.*

16 ***(b) DETERMINATION REGARDING RETENTION OF DES-***
17 ***IGNATION.—Section 212(e) of the Caribbean Basin Eco-***
18 ***nomie Recovery Act (19 U.S.C. 2702(e)) is amended—***

19 ***(1) in paragraph (1)—***

20 ***(A) by redesignating subparagraphs (A)***
21 ***and (B) as clauses (i) and (ii), respectively;***

22 ***(B) by inserting “(A)” after “(1)”;*** and

23 ***(C) by adding at the end the following:***

24 ***“(B) The President may, after the requirements of sub-***
25 ***section (a)(2) and paragraph (2) have been met—***

1 “(i) *withdraw or suspend the designation of any*
2 *country as a CBTPA beneficiary country, or*

3 “(ii) *withdraw, suspend, or limit the application*
4 *of preferential treatment under section 213(b) (2) and*
5 *(3) to any article of any country,*

6 *if, after such designation, the President determines that, as*
7 *a result of changed circumstances, the performance of such*
8 *country is not satisfactory under the criteria set forth in*
9 *section 213(b)(5)(B).”; and*

10 *(2) by adding after paragraph (2) the following*
11 *new paragraph:*

12 “(3) *If preferential treatment under section 213(b) (2)*
13 *and (3) is withdrawn, suspended, or limited with respect*
14 *to a CBTPA beneficiary country, such country shall not*
15 *be deemed to be a ‘party’ for the purposes of applying sec-*
16 *tion 213(b)(5)(C) to imports of articles for which pref-*
17 *erential treatment has been withdrawn, suspended, or lim-*
18 *ited with respect to such country.”.*

19 *(c) REPORTING REQUIREMENTS.—*

20 *(1) Section 212(f) of the Caribbean Basin Eco-*
21 *nomie Recovery Act (19 U.S.C. 2702(f)) is amended*
22 *to read as follows:*

23 “(f) *REPORTING REQUIREMENTS.—*

24 “(1) *IN GENERAL.—Not later than December 31,*
25 *2001, and every 2 years thereafter during the period*

1 *this title is in effect, the United States Trade Rep-*
2 *resentative shall submit to Congress a report regard-*
3 *ing the operation of this title, including—*

4 “(A) *with respect to subsections (b) and (c),*
5 *the results of a general review of beneficiary*
6 *countries based on the considerations described*
7 *in such subsections; and*

8 “(B) *the performance of each beneficiary*
9 *country or CBTPA beneficiary country, as the*
10 *case may be, under the criteria set forth in sec-*
11 *tion 213(b)(5)(B).*

12 “(2) *PUBLIC COMMENT.—Before submitting the*
13 *report described in paragraph (1), the United States*
14 *Trade Representative shall publish a notice in the*
15 *Federal Register requesting public comments on*
16 *whether beneficiary countries are meeting the criteria*
17 *listed in section 213(b)(5)(B).”.*

18 (2) *Section 203(f) of the Andean Trade Pref-*
19 *erence Act (19 U.S.C. 3202(f)) is amended—*

20 (A) *by striking “TRIENNIAL REPORT” in*
21 *the heading and inserting “REPORT”; and*

22 (B) *by striking “On or before” and all that*
23 *follows through “enactment of this title” and in-*
24 *serting “Not later than January 31, 2001”.*

25 (d) *INTERNATIONAL TRADE COMMISSION REPORTS.—*

1 (1) *Section 215(a) of the Caribbean Basin Eco-*
2 *nomie Recovery Act (19 U.S.C. 2704(a)) is amended*
3 *to read as follows:*

4 “(a) *REPORTING REQUIREMENT.—*

5 “(1) *IN GENERAL.—The United States Inter-*
6 *national Trade Commission (in this section referred*
7 *to as the ‘Commission’) shall submit to Congress and*
8 *the President biennial reports regarding the economic*
9 *impact of this title on United States industries and*
10 *consumers and on the economy of the beneficiary*
11 *countries.*

12 “(2) *FIRST REPORT.—The first report shall be*
13 *submitted not later than September 30, 2001.*

14 “(3) *TREATMENT OF PUERTO RICO, ETC.—For*
15 *purposes of this section, industries in the Common-*
16 *wealth of Puerto Rico and the insular possessions of*
17 *the United States are considered to be United States*
18 *industries.”.*

19 (2) *Section 206(a) of the Andean Trade Pref-*
20 *erence Act (19 U.S.C. 3204(a)) is amended to read as*
21 *follows:*

22 “(a) *REPORTING REQUIREMENTS.—*

23 “(1) *IN GENERAL.—The United States Inter-*
24 *national Trade Commission (in this section referred*
25 *to as the ‘Commission’) shall submit to Congress and*

1 *the President biennial reports regarding the economic*
2 *impact of this title on United States industries and*
3 *consumers, and, in conjunction with other agencies,*
4 *the effectiveness of this title in promoting drug-related*
5 *crop eradication and crop substitution efforts of the*
6 *beneficiary countries.*

7 “(2) *SUBMISSION.*—*During the period that this*
8 *title is in effect, the report required by paragraph (1)*
9 *shall be submitted on December 31 of each year that*
10 *the report required by section 215 of the Caribbean*
11 *Basin Economic Recovery Act is not submitted.*

12 “(3) *TREATMENT OF PUERTO RICO, ETC.*—*For*
13 *purposes of this section, industries in the Common-*
14 *wealth of Puerto Rico and the insular possessions of*
15 *the United States are considered to be United States*
16 *industries.”.*

17 *(e) TECHNICAL AND CONFORMING AMENDMENTS.—*

18 *(1) IN GENERAL.—*

19 *(A) Section 211 of the Caribbean Basin*
20 *Economic Recovery Act (19 U.S.C. 2701) is*
21 *amended by inserting “(or other preferential*
22 *treatment)” after “treatment”.*

23 *(B) Section 213(a)(1) of the Caribbean*
24 *Basin Economic Recovery Act (19 U.S.C.*
25 *2703(a)(1)) is amended by inserting “and except*

1 *as provided in subsection (b) (2) and (3),” after*
2 *“Tax Reform Act of 1986,”.*

3 (2) *DEFINITIONS.—Section 212(a)(1) of the Car-*
4 *ibbean Basin Economic Recovery Act (19 U.S.C.*
5 *2702(a)(1)) is amended by adding at the end the fol-*
6 *lowing new subparagraphs:*

7 *“(D) The term ‘NAFTA’ means the North*
8 *American Free Trade Agreement entered into be-*
9 *tween the United States, Mexico, and Canada on*
10 *December 17, 1992.*

11 *“(E) The terms ‘WTO’ and ‘WTO member’*
12 *have the meanings given those terms in section*
13 *2 of the Uruguay Round Agreements Act (19*
14 *U.S.C. 3501).”.*

15 **SEC. 214. DUTY-FREE TREATMENT FOR CERTAIN BEV-**
16 **ERAGES MADE WITH CARIBBEAN RUM.**

17 *Section 213(a) of the Caribbean Basin Economic Re-*
18 *covery Act (19 U.S.C. 2703(a)) is amended—*

19 *(1) in paragraph (5), by striking “chapter” and*
20 *inserting “title”; and*

21 *(2) by adding at the end the following new para-*
22 *graph:*

23 *“(6) Notwithstanding paragraph (1), the duty-free*
24 *treatment provided under this title shall apply to liqueurs*

1 *and spirituous beverages produced in the territory of Can-*
2 *ada from rum if—*

3 “(A) *such rum is the growth, product, or manu-*
4 *facture of a beneficiary country or of the Virgin Is-*
5 *lands of the United States;*

6 “(B) *such rum is imported directly from a bene-*
7 *ficiary country or the Virgin Islands of the United*
8 *States into the territory of Canada, and such liqueurs*
9 *and spirituous beverages are imported directly from*
10 *the territory of Canada into the customs territory of*
11 *the United States;*

12 “(C) *when imported into the customs territory of*
13 *the United States, such liqueurs and spirituous bev-*
14 *erages are classified in subheading 2208.90 or*
15 *2208.40 of the HTS; and*

16 “(D) *such rum accounts for at least 90 percent*
17 *by volume of the alcoholic content of such liqueurs*
18 *and spirituous beverages.”.*

19 **SEC. 215. MEETINGS OF TRADE MINISTERS AND USTR.**

20 (a) *SCHEDULE OF MEETINGS.—The President shall*
21 *take the necessary steps to convene a meeting with the trade*
22 *ministers of the CBTPA beneficiary countries in order to*
23 *establish a schedule of regular meetings, to commence as*
24 *soon as is practicable, of the trade ministers and the Trade*
25 *Representative, for the purpose set forth in subsection (b).*

1 (b) *PURPOSE.*—*The purpose of the meetings scheduled*
2 *under subsection (a) is to reach agreement between the*
3 *United States and CBTPA beneficiary countries on the like-*
4 *ly timing and procedures for initiating negotiations for*
5 *CBTPA beneficiary countries to enter into mutually advan-*
6 *tageous free trade agreements with the United States that*
7 *contain provisions comparable to those in the NAFTA and*
8 *would make substantial progress in achieving the negoti-*
9 *ating objectives set forth in section 108(b)(5) of Public Law*
10 *103–182 (19 U.S.C. 3317(b)(5)).*

11 (c) *DEFINITION.*—*In this section, the term “CBTPA*
12 *beneficiary country” has the meaning given that term in*
13 *section 213(b)(5)(B) of the Caribbean Basin Economic Re-*
14 *covery Act.*

15 ***TITLE III—NORMAL TRADE***
16 ***RELATIONS***

17 ***SEC. 301. NORMAL TRADE RELATIONS FOR ALBANIA.***

18 (a) *FINDINGS.*—*Congress makes the following findings:*

19 (1) *Albania has been found to be in full compli-*
20 *ance with the freedom of emigration requirements*
21 *under title IV of the Trade Act of 1974.*

22 (2) *Since its emergence from communism, Alba-*
23 *nia has made progress toward democratic rule and*
24 *the creation of a free-market economy.*

1 (3) *Albania has concluded a bilateral investment*
2 *treaty with the United States.*

3 (4) *Albania has demonstrated a strong desire to*
4 *build a friendly relationship with the United States*
5 *and has been very cooperative with NATO and the*
6 *international community during and after the Kosova*
7 *crisis.*

8 (5) *The extension of unconditional normal trade*
9 *relations treatment to the products of Albania will en-*
10 *able the United States to avail itself of all rights*
11 *under the World Trade Organization with respect to*
12 *Albania when that country becomes a member of the*
13 *World Trade Organization.*

14 (b) *TERMINATION OF APPLICATION OF TITLE IV OF*
15 *THE TRADE ACT OF 1974 TO ALBANIA.—*

16 (1) *PRESIDENTIAL DETERMINATIONS AND EX-*
17 *TENSIONS OF NONDISCRIMINATORY TREATMENT.—*
18 *Notwithstanding any provision of title IV of the*
19 *Trade Act of 1974 (19 U.S.C. 2431 et seq.), the Presi-*
20 *dent may—*

21 (A) *determine that such title should no*
22 *longer apply to Albania; and*

23 (B) *after making a determination under*
24 *subparagraph (A) with respect to Albania, pro-*
25 *claim the extension of nondiscriminatory treat-*

1 *ment (normal trade relations treatment) to the*
2 *products of that country.*

3 (2) *TERMINATION OF APPLICATION OF TITLE*
4 *IV.—On or after the effective date of the extension*
5 *under paragraph (1)(B) of nondiscriminatory treat-*
6 *ment to the products of Albania, title IV of the Trade*
7 *Act of 1974 shall cease to apply to that country.*

8 **SEC. 302. NORMAL TRADE RELATIONS FOR KYRGYZSTAN.**

9 (a) *FINDINGS.—Congress makes the following findings:*

10 (1) *Kyrgyzstan has been found to be in full com-*
11 *pliance with the freedom of emigration requirements*
12 *under title IV of the Trade Act of 1974.*

13 (2) *Since its independence from the Soviet*
14 *Union in 1991, Kyrgyzstan has made great progress*
15 *toward democratic rule and toward creating a free-*
16 *market economic system.*

17 (3) *Kyrgyzstan concluded a bilateral investment*
18 *treaty with the United States in 1994.*

19 (4) *Kyrgyzstan has demonstrated a strong desire*
20 *to build a friendly and cooperative relationship with*
21 *the United States.*

22 (5) *The extension of unconditional normal trade*
23 *relations treatment to the products of Kyrgyzstan will*
24 *enable the United States to avail itself of all rights*

1 *under the World Trade Organization with respect to*
2 *Kyrgyzstan.*

3 ***(b) TERMINATION OF APPLICATION OF TITLE IV OF***
4 ***THE TRADE ACT OF 1974 TO KYRGYZSTAN.—***

5 ***(1) PRESIDENTIAL DETERMINATIONS AND EX-***
6 ***TENSIONS OF NONDISCRIMINATORY TREATMENT.—***
7 *Notwithstanding any provision of title IV of the*
8 *Trade Act of 1974 (19 U.S.C. 2431 et seq.), the Presi-*
9 *dent may—*

10 ***(A) determine that such title should no***
11 ***longer apply to Kyrgyzstan; and***

12 ***(B) after making a determination under***
13 ***subparagraph (A) with respect to Kyrgyzstan,***
14 ***proclaim the extension of nondiscriminatory***
15 ***treatment (normal trade relations treatment) to***
16 ***the products of that country.***

17 ***(2) TERMINATION OF APPLICATION OF TITLE***
18 ***IV.—On or after the effective date of the extension***
19 ***under paragraph (1)(B) of nondiscriminatory treat-***
20 ***ment to the products of Kyrgyzstan, title IV of the***
21 ***Trade Act of 1974 shall cease to apply to that coun-***
22 ***try.***

1 **TITLE IV—OTHER TRADE**
2 **PROVISIONS**

3 **SEC. 401. REPORT ON EMPLOYMENT AND TRADE ADJUST-**
4 **MENT ASSISTANCE.**

5 (a) *IN GENERAL.*—Not later than 9 months after the
6 date of enactment of this section, the Comptroller General
7 of the United States shall submit to Congress a report re-
8 garding the efficiency and effectiveness of Federal and State
9 coordination of employment and retraining activities asso-
10 ciated with the following programs and legislation:

11 (1) *Trade adjustment assistance (including*
12 *NAFTA trade adjustment assistance) provided for*
13 *under title II of the Trade Act of 1974.*

14 (2) *The Job Training Partnership Act.*

15 (3) *The Workforce Investment Act of 1998.*

16 (4) *Unemployment insurance.*

17 (b) *PERIOD COVERED.*—The report shall cover the ac-
18 tivities involved in the programs and legislation listed in
19 subsection (a) from January 1, 1994, to December 31, 1999.

20 (c) *DATA AND RECOMMENDATIONS.*—The report shall
21 at a minimum include specific data and recommendations
22 regarding—

23 (1) *the compatibility of program requirements*
24 *related to the employment and retraining of dis-*
25 *located workers in the United States, with particular*

1 *emphasis on the trade adjustment assistance pro-*
2 *grams provided for under title II of the Trade Act of*
3 *1974;*

4 *(2) the compatibility of application procedures*
5 *related to the employment and retraining of dis-*
6 *located workers in the United States;*

7 *(3) the capacity of the programs in addressing*
8 *foreign trade and the transfer of production to other*
9 *countries on workers in the United States measured*
10 *in terms of loss of employment and wages;*

11 *(4) the capacity of the programs in addressing*
12 *foreign trade and the transfer of production to other*
13 *countries on secondary workers in the United States*
14 *measured in terms of loss of employment and wages;*

15 *(5) how the impact of foreign trade and the*
16 *transfer of production to other countries would have*
17 *changed the number of beneficiaries covered under the*
18 *trade adjustment assistance program if the trade ad-*
19 *justment assistance program covered secondary work-*
20 *ers in the United States; and*

21 *(6) the effectiveness of the programs described in*
22 *subsection (a) in achieving reemployment of United*
23 *States workers and maintaining wage levels of United*
24 *States workers who have been dislocated as a result*

1 *of foreign trade and the transfer of production to*
2 *other countries.*

3 **SEC. 402. TRADE ADJUSTMENT ASSISTANCE.**

4 *(a) CERTIFICATION OF ELIGIBILITY FOR WORKERS*
5 *REQUIRED FOR DECOMMISSIONING OR CLOSURE OF FACIL-*
6 *ITY.—*

7 *(1) IN GENERAL.—Notwithstanding any other*
8 *provision of law or any decision by the Secretary of*
9 *Labor denying certification or eligibility for certifi-*
10 *cation for adjustment assistance under title II of the*
11 *Trade Act of 1974, a qualified worker described in*
12 *paragraph (2) shall be certified by the Secretary as*
13 *eligible to apply for adjustment assistance under such*
14 *title II.*

15 *(2) QUALIFIED WORKER.—For purposes of this*
16 *subsection, a “qualified worker” means a worker*
17 *who—*

18 *(A) was determined to be covered under*
19 *Trade Adjustment Assistance Certification TA–*
20 *W–28,438; and*

21 *(B) was necessary for the decommissioning*
22 *or closure of a nuclear power facility.*

23 *(b) EFFECTIVE DATE.—The amendment made by this*
24 *section shall take effect on the date of enactment of this Act.*

1 **SEC. 403. RELIQUIDATION OF CERTAIN NUCLEAR FUEL AS-**
 2 **SEMBLIES.**

3 (a) *IN GENERAL.*—Notwithstanding section 514 of the
 4 *Tariff Act of 1930 (19 U.S.C. 1514)* or any other provision
 5 of law, upon proper request filed with the Secretary of the
 6 Treasury not later than 90 days after the date of enactment
 7 of this Act, the Secretary shall—

8 (1) *reliquidate as free of duty the entries listed*
 9 *in subsection (b); and*

10 (2) *refund any duties paid with respect to such*
 11 *entries as shown on Customs Service Collection Re-*
 12 *ceipt Number 527006753.*

13 (b) *ENTRIES.*—The entries referred to in subsection (a)
 14 are as follows:

Entry number	Date of entry
062-2320014-5	January 16, 1996
062-2320085-5	February 13, 1996
839-4030989-7	November 25, 1996
839-4031053-1	December 2, 1996
839-4031591-0	January 21, 1997.

15 **SEC. 404. REPORTS TO THE FINANCE AND WAYS AND**
 16 **MEANS COMMITTEES.**

17 (a) *REPORTS REGARDING INITIATIVES TO UPDATE*
 18 *THE INTERNATIONAL MONETARY FUND.*—Section 607 of the
 19 *Foreign Operations, Export Financing, and Related Appro-*
 20 *priations Act, 1999 (as contained in section 101(d) of divi-*
 21 *sion A of the Omnibus Consolidated and Emergency Sup-*
 22 *plemental Appropriations Act, 1999) (Public Law 105-277;*

1 112 Stat. 2681–224), relating to international financial
2 programs and reform, is amended—

3 (1) by inserting “Finance,” after “Foreign Rela-
4 tions,”; and

5 (2) by inserting “, Ways and Means,” before
6 “and Banking and Financial Services”.

7 (b) *REPORTS ON FINANCIAL STABILIZATION PRO-*
8 *GRAMS.*—Section 1704(b) of the *International Financial*
9 *Institutions Act* (22 U.S.C. 262r–3(b)) is amended to read
10 as follows:

11 “(b) *TIMING.*—Not later than March 15, 1999, and
12 semiannually thereafter, the Secretary of the Treasury shall
13 submit to the Committees on Banking and Financial Serv-
14 ices, Ways and Means, and International Relations of the
15 House of Representatives and the Committees on Finance,
16 Foreign Relations, and Banking, Housing, and Urban Af-
17 fairs of the Senate a report on the matters described in sub-
18 section (a).”.

19 (c) *ANNUAL REPORT ON THE STATE OF THE INTER-*
20 *NATIONAL FINANCIAL SYSTEM, IMF REFORM, AND COMPLI-*
21 *ANCE WITH IMF AGREEMENTS.*—Section 1705(a) of the
22 *International Financial Institutions Act* (22 U.S.C. 262r–
23 4(a)) is amended by striking “Committee on Banking and
24 Financial Services of the House of Representatives and the
25 Committee on Foreign Relations of the Senate” and insert-

1 *ing “Committees on Banking and Financial Services and*
2 *on Ways and Means of the House of Representatives and*
3 *the Committees on Finance and on Foreign Relations of*
4 *the Senate”.*

5 (d) *AUDITS OF THE IMF.*—Section 1706(a) of the
6 *International Financial Institutions Act (22 U.S.C. 262r–*
7 *5(a)) is amended by striking “Committee on Banking and*
8 *Financial Services of the House of Representatives and the*
9 *Committee on Foreign Relations of the Senate” and insert-*
10 *ing “Committees on Banking and Financial Services and*
11 *on Ways and Means of the House of Representatives and*
12 *the Committees on Finance and on Foreign Relations of*
13 *the Senate”.*

14 (e) *REPORT ON PROTECTION OF BORDERS AGAINST*
15 *DRUG TRAFFIC.*—Section 629 of the *Treasury and General*
16 *Government Appropriations Act, 1999 (as contained in sec-*
17 *tion 101(h) of division A of the Omnibus Consolidated and*
18 *Emergency Supplemental Appropriations Act, 1999) (Pub-*
19 *lic Law 105–277; 112 Stat. 2681–522), relating to general*
20 *provisions, is amended by adding at the end the following*
21 *new paragraph:*

22 “(3) For purposes of paragraph (1), the term ‘appro-

23 priate congressional committees’ includes the Committee on

24 Finance of the Senate and the Committee on Ways and

25 Means of the House of Representatives.”.

1 **SEC. 405. CLARIFICATION OF SECTION 334 OF THE URU-**
2 **GUAY ROUND AGREEMENTS ACT.**

3 (a) *IN GENERAL.*—Section 334(b)(2) of the Uruguay
4 Round Agreements Act (19 U.S.C. 3592(b)(2)) is
5 amended—

6 (1) by redesignating subparagraphs (A) and (B)
7 as clauses (i) and (ii), respectively;

8 (2) in the matter preceding clause (i) (as redesign-
9 nated), by striking “Notwithstanding paragraph
10 (1)(D)” and inserting “(A) Notwithstanding para-
11 graph (1)(D) and except as provided in subpara-
12 graphs (B) and (C)”; and

13 (3) by adding at the end the following:

14 “(B) Notwithstanding paragraph (1)(C), fabric
15 classified under the HTS as of silk, cotton, man-made
16 fiber, or vegetable fiber shall be considered to originate
17 in, and be the growth, product, or manufacture of, the
18 country, territory, or possession in which the fabric is
19 both dyed and printed when accompanied by 2 or
20 more of the following finishing operations: bleaching,
21 shrinking, fulling, napping, decating, permanent stiff-
22 ening, weighting, permanent embossing, or moireing.

23 “(C) Notwithstanding paragraph (1)(D), goods
24 classified under HTS heading 6117.10, 6213.00,
25 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59,
26 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19,

1 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except
2 for goods classified under such headings as of cotton
3 or of wool or consisting of fiber blends containing 16
4 percent or more by weight of cotton, shall be consid-
5 ered to originate in, and be the growth, product, or
6 manufacture of, the country, territory, or possession
7 in which the fabric is both dyed and printed when ac-
8 companied by 2 or more of the following finishing op-
9 erations: bleaching, shrinking, fulling, napping,
10 decating, permanent stiffening, weighting, permanent
11 embossing, or moireing.”.

12 (b) *EFFECTIVE DATE.*—The amendments made by this
13 section apply to goods entered, or withdrawn from ware-
14 house for consumption, on or after the date of enactment
15 of this Act.

16 **SEC. 406. CHIEF AGRICULTURAL NEGOTIATOR.**

17 Section 141 of the Trade Act of 1974 (19 U.S.C. 2171)
18 is amended—

19 (1) by amending subsection (b)(2) to read as fol-
20 lows:

21 “(2) There shall be in the Office three Deputy
22 United States Trade Representatives and one Chief
23 Agricultural Negotiator who shall be appointed by the
24 President, by and with the advice and consent of the
25 Senate. As an exercise of the rulemaking power of the

1 *Senate, any nomination of a Deputy United States*
2 *Trade Representative or the Chief Agricultural Nego-*
3 *tiator submitted to the Senate for its advice and con-*
4 *sent, and referred to a committee, shall be referred to*
5 *the Committee on Finance. Each Deputy United*
6 *States Trade Representative and the Chief Agricul-*
7 *tural Negotiator shall hold office at the pleasure of the*
8 *President and shall have the rank of Ambassador.”;*
9 *and*

10 *(2) in subsection (c), by adding at the end the*
11 *following new paragraph:*

12 *“(5) The principal function of the Chief Agricul-*
13 *tural Negotiator shall be to conduct trade negotiations*
14 *and to enforce trade agreements relating to United*
15 *States agricultural products and services. The Chief*
16 *Agricultural Negotiator shall be a vigorous advocate*
17 *on behalf of United States agricultural interests. The*
18 *Chief Agricultural Negotiator shall perform such other*
19 *functions as the United States Trade Representative*
20 *may direct.”.*

21 **SEC. 407. REVISION OF RETALIATION LIST OR OTHER RE-**
22 **MEDIAL ACTION.**

23 *Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C.*
24 *2416(b)(2)) is amended—*

1 (1) *by striking “If the” and inserting the fol-*
2 *lowing:*

3 “(A) *FAILURE TO IMPLEMENT REC-*
4 *OMMENDATION.—If the”; and*

5 (2) *by adding at the end the following:*

6 “(B) *REVISION OF RETALIATION LIST AND*
7 *ACTION.—*

8 “(i) *IN GENERAL.—Except as provided*
9 *in clause (ii), in the event that the United*
10 *States initiates a retaliation list or takes*
11 *any other action described in section*
12 *301(c)(1) (A) or (B) against the goods of a*
13 *foreign country or countries because of the*
14 *failure of such country or countries to im-*
15 *plement the recommendation made pursu-*
16 *ant to a dispute settlement proceeding*
17 *under the World Trade Organization, the*
18 *Trade Representative shall periodically re-*
19 *vis the list or action to affect other goods*
20 *of the country or countries that have failed*
21 *to implement the recommendation.*

22 “(ii) *EXCEPTION.—The Trade Rep-*
23 *resentative is not required to revise the re-*
24 *taliation list or the action described in*
25 *clause (i) with respect to a country, if—*

1 “(I) the Trade Representative de-
2 termines that implementation of a rec-
3 ommendation made pursuant to a dis-
4 pute settlement proceeding described in
5 clause (i) by the country is imminent;
6 or

7 “(II) the Trade Representative to-
8 gether with the petitioner involved in
9 the initial investigation under this
10 chapter (or if no petition was filed, the
11 affected United States industry) agree
12 that it is unnecessary to revise the re-
13 taliation list.

14 “(C) SCHEDULE FOR REVISING LIST OR AC-
15 TION.—The Trade Representative shall, 120 days
16 after the date the retaliation list or other section
17 301(a) action is first taken, and every 180 days
18 thereafter, review the list or action taken and re-
19 vise, in whole or in part, the list or action to af-
20 fect other goods of the subject country or coun-
21 tries.

22 “(D) STANDARDS FOR REVISING LIST OR
23 ACTION.—In revising any list or action against
24 a country or countries under this subsection, the
25 Trade Representative shall act in a manner that

1 *is most likely to result in the country or coun-*
2 *tries implementing the recommendations adopted*
3 *in the dispute settlement proceeding or in achiev-*
4 *ing a mutually satisfactory solution to the issue*
5 *that gave rise to the dispute settlement pro-*
6 *ceeding. The Trade Representative shall consult*
7 *with the petitioner, if any, involved in the ini-*
8 *tial investigation under this chapter.*

9 *“(E) RETALIATION LIST.—The term ‘retal-*
10 *iation list’ means the list of products of a foreign*
11 *country or countries that have failed to comply*
12 *with the report of the panel or Appellate Body*
13 *of the WTO and with respect to which the Trade*
14 *Representative is imposing duties above the level*
15 *that would otherwise be imposed under the Har-*
16 *monized Tariff Schedule of the United States.*

17 *“(F) REQUIREMENT TO INCLUDE RECIP-*
18 *ROCAL GOODS ON RETALIATION LIST.—The*
19 *Trade Representative shall include on the retal-*
20 *iation list, and on any revised lists, reciprocal*
21 *goods of the industries affected by the failure of*
22 *the foreign country or countries to implement the*
23 *recommendation made pursuant to a dispute set-*
24 *tlement proceeding under the World Trade Orga-*
25 *nization, except in cases where existing retalia-*

1 *tion and its corresponding preliminary retalia-*
2 *tion list do not already meet this requirement.”.*

3 **SEC. 408. REPORT ON TRADE ADJUSTMENT ASSISTANCE**
4 **FOR AGRICULTURAL COMMODITY PRO-**
5 **DUCERS.**

6 *(a) IN GENERAL.—Not later than 4 months after the*
7 *date of enactment of this Act, the Secretary of Labor, in*
8 *consultation with the Secretary of Agriculture and the Sec-*
9 *retary of Commerce, shall submit to the Committee on Ways*
10 *and Means of the House of Representatives and the Com-*
11 *mittee on Finance of the Senate a report that—*

12 *(1) examines the applicability to agricultural*
13 *commodity producers of trade adjustment assistance*
14 *programs established under title II of the Trade Act*
15 *of 1974; and*

16 *(2) sets forth recommendations to improve the*
17 *operation of those programs as the programs apply to*
18 *agricultural commodity producers or to establish a*
19 *new trade adjustment assistance program for agricul-*
20 *tural commodity producers.*

21 *(b) CONTENTS.—In preparing the report required by*
22 *subsection (a), the Secretary of Labor shall—*

23 *(1) assess the degree to which the existing trade*
24 *adjustment assistance programs address the adverse*
25 *effects on agricultural commodity producers due to*

1 *price suppression caused by increased imports of like*
2 *or directly competitive agricultural commodities; and*
3 *(2) examine the effectiveness of the program ben-*
4 *efits authorized under subchapter B of chapter 2 and*
5 *chapter 3 of title II of the Trade Act of 1974 in rem-*
6 *edying the adverse effects, including price suppres-*
7 *sion, caused by increased imports of like or directly*
8 *competitive agricultural commodities.*

9 *(c) DEFINITIONS.—In this section:*

10 *(1) AGRICULTURAL COMMODITY.—The term “ag-*
11 *ricultural commodity” means any agricultural com-*
12 *modity, including livestock, fish or harvested seafood*
13 *in its raw or natural state.*

14 *(2) AGRICULTURAL COMMODITY PRODUCER.—*
15 *The term “agricultural commodity producer” means*
16 *any person who is engaged in the production and sale*
17 *of an agricultural commodity in the United States*
18 *and who owns or shares the ownership and risk of*
19 *loss of the agricultural commodity.*

20 **SEC. 409. AGRICULTURAL TRADE NEGOTIATING OBJEC-**
21 **TIVES AND CONSULTATIONS WITH CON-**
22 **GRESS.**

23 *(a) FINDINGS.—Congress finds that—*

24 *(1) United States agriculture contributes posi-*
25 *tively to the United States balance of trade and*

1 *United States agricultural exports support in excess*
2 *of 1,000,000 United States jobs;*

3 (2) *United States agriculture competes success-*
4 *fully worldwide despite the fact that United States*
5 *producers are at a competitive disadvantage because*
6 *of the trade distorting support and subsidy practices*
7 *of other countries and despite the fact that significant*
8 *tariff and nontariff barriers exist to United States ex-*
9 *ports; and*

10 (3) *a successful conclusion of the current World*
11 *Trade Organization agricultural negotiations is criti-*
12 *cally important to the United States agricultural sec-*
13 *tor.*

14 (b) *OBJECTIVES.—The agricultural trade negotiating*
15 *objectives of the United States with respect to the current*
16 *World Trade Organization agricultural negotiations in-*
17 *clude as matters of the highest priority—*

18 (1) *the expeditious elimination of all export sub-*
19 *sidies worldwide while maintaining bona fide food*
20 *aid and preserving United States market development*
21 *and export credit programs that allow the United*
22 *States to compete with other foreign export promotion*
23 *efforts;*

24 (2) *leveling the playing field for United States*
25 *producers of agricultural products by eliminating*

1 *blue box subsidies and disciplining domestic supports*
2 *in a way that forces producers to face world prices on*
3 *all production in excess of domestic food security*
4 *needs while allowing the preservation of nontrade dis-*
5 *torting programs to support family farms and rural*
6 *communities;*

7 *(3) the elimination of state trading enterprises*
8 *or the adoption of rigorous disciplines that ensure*
9 *operational transparency, competition, and the end of*
10 *discriminatory pricing practices, including policies*
11 *supporting cross-subsidization and price undercutting*
12 *in export markets;*

13 *(4) affirming that the World Trade Organization*
14 *Agreement on the Application of Sanitary and*
15 *Phytosanitary Measures applies to new technologies,*
16 *including biotechnology, and that labeling require-*
17 *ments to allow consumers to make choices regarding*
18 *biotechnology products or other regulatory require-*
19 *ments may not be used as disguised barriers to trade;*

20 *(5) increasing opportunities for United States*
21 *exports of agricultural products by reducing tariffs to*
22 *the same levels that exist in the United States or to*
23 *lower levels and by eliminating all nontariff barriers,*
24 *including—*

1 (A) restrictive or trade distorting practices,
2 including those that adversely impact perishable
3 or cyclical products;

4 (B) restrictive rules in the administration
5 of tariff-rate quotas; and

6 (C) other barriers to agriculture trade, in-
7 cluding unjustified restrictions or commercial re-
8 quirements affecting new technologies, including
9 biotechnology;

10 (6) eliminating government policies that create
11 price-depressing surpluses; and

12 (7) strengthening dispute settlement procedures
13 to ensure prompt compliance by foreign governments
14 with their World Trade Organization obligations in-
15 cluding commitments not to maintain unjustified re-
16 strictions on United States exports.

17 (c) CONSULTATION WITH CONGRESSIONAL COMMIT-
18 TEES.—

19 (1) CONSULTATION BEFORE OFFER MADE.—In
20 developing and before submitting an initial or revised
21 negotiating proposal that would reduce United States
22 tariffs on agricultural products or require a change in
23 United States agricultural law, the United States
24 Trade Representative shall consult with the Com-
25 mittee on Agriculture, Nutrition, and Forestry and

1 *the Committee on Finance of the Senate and the Com-*
2 *mittee on Agriculture and the Committee on Ways*
3 *and Means of the House of Representatives.*

4 (2) *CONSULTATION WITH CONGRESSIONAL TRADE*
5 *ADVISERS.—Prior to and during the course of current*
6 *negotiations on agricultural trade, the United States*
7 *Trade Representative shall consult closely with the*
8 *congressional trade advisers.*

9 (3) *CONSULTATION BEFORE AGREEMENT INI-*
10 *TIALED.—Not less than 48 hours before initialing an*
11 *agreement reached as part of current World Trade*
12 *Organization agricultural negotiations, the United*
13 *States Trade Representative shall consult closely with*
14 *the committees referred to in paragraph (1)*
15 *regarding—*

16 (A) *the details of the agreement;*

17 (B) *the potential impact of the agreement*
18 *on United States agricultural producers; and*

19 (C) *any changes in United States law nec-*
20 *essary to implement the agreement.*

21 (4) *DISCLOSURE OF COMMITMENTS.—Any agree-*
22 *ment or other understanding addressing agricultural*
23 *trade with a foreign government or governments*
24 *(whether oral or in writing) that relates to a trade*
25 *agreement with respect to which Congress must enact*

1 *implementing legislation and that is not disclosed to*
2 *Congress before legislation implementing that agree-*
3 *ment is introduced in either House of Congress shall*
4 *not be considered to be part of the agreement ap-*
5 *proved by Congress and shall have no force and effect*
6 *under United States law or in any dispute settlement*
7 *body.*

8 *(d) SENSE OF CONGRESS.—It is the sense of Congress*
9 *that—*

10 *(1) granting the President trade negotiating au-*
11 *thority is essential to the successful conclusion of the*
12 *new round of World Trade Organization agricultural*
13 *negotiations;*

14 *(2) reaching a successful agreement on agri-*
15 *culture should be the top priority of United States ne-*
16 *gotiators; and*

17 *(3) if by the conclusion of the negotiations, the*
18 *primary agricultural competitors of the United States*
19 *do not agree to reduce their trade distorting domestic*
20 *supports and eliminate export subsidies in accordance*
21 *with the negotiating objectives expressed in this sec-*
22 *tion, the United States should take steps to increase*
23 *the leverage of United States negotiators and level the*
24 *playing field for United States producers.*

1 **SEC. 410. ENTRY PROCEDURES FOR FOREIGN TRADE ZONE**
2 **OPERATIONS.**

3 (a) *IN GENERAL.*—Section 484 of the Tariff Act of
4 1930 (19 U.S.C. 1484) is amended by adding at the end
5 the following new subsection:

6 “(i) *SPECIAL RULE FOR FOREIGN TRADE ZONE OP-*
7 *ERATIONS.*—

8 “(1) *IN GENERAL.*—Notwithstanding any other
9 provision of law and except as provided in paragraph
10 (3), all merchandise (including merchandise of dif-
11 ferent classes, types, and categories), withdrawn from
12 a foreign trade zone during any 7-day period, shall,
13 at the option of the operator or user of the zone, be
14 the subject of a single estimated entry or release filed
15 on or before the first day of the 7-day period in which
16 the merchandise is to be withdrawn from the zone.
17 The estimated entry or release shall be treated as a
18 single entry and a single release of merchandise for
19 purposes of section 13031(a)(9)(A) of the Consolidated
20 Omnibus Budget Reconciliation Act of 1985 (19
21 U.S.C. 58c(a)(9)(A)) and all fee exclusions and limi-
22 tations of such section 13031 shall apply, including
23 the maximum and minimum fee amounts provided
24 for under subsection (b)(8)(A)(i) of such section. The
25 entry summary for the estimated entry or release

1 *shall cover only the merchandise actually withdrawn*
2 *from the foreign trade zone during the 7-day period.*

3 “(2) *OTHER REQUIREMENTS.—The Secretary of*
4 *the Treasury may require that the operator or user of*
5 *the zone—*

6 “(A) *use an electronic data interchange ap-*
7 *proved by the Customs Service—*

8 “(i) *to file the entries described in*
9 *paragraph (1); and*

10 “(ii) *to pay the applicable duties, fees,*
11 *and taxes with respect to the entries; and*

12 “(B) *satisfy the Customs Service that ac-*
13 *counting, transportation, and other controls over*
14 *the merchandise are adequate to protect the rev-*
15 *enue and meet the requirements of other Federal*
16 *agencies.*

17 “(3) *EXCEPTION.—The provisions of paragraph*
18 *(1) shall not apply to merchandise the entry of which*
19 *is prohibited by law or merchandise for which the fil-*
20 *ing of an entry summary is required before the mer-*
21 *chandise is released from customs custody.*

22 “(4) *FOREIGN TRADE ZONE; ZONE.—In this sub-*
23 *section, the terms ‘foreign trade zone’ and ‘zone’ mean*
24 *a zone established pursuant to the Act of June 18,*

1 1934, commonly known as the Foreign Trade Zones
2 Act (19 U.S.C. 81a et seq.).”.

3 (b) *EFFECTIVE DATE.*—The amendment made by this
4 section shall take effect on the date that is 60 days after
5 the date of enactment of this Act.

6 **SEC. 411. GOODS MADE WITH FORCED OR INDENTURED**
7 **CHILD LABOR.**

8 (a) *IN GENERAL.*—Section 307 of the Tariff Act of
9 1930 (19 U.S.C. 1307) is amended by adding at the end
10 the following new sentence: “For purposes of this section,
11 the term ‘forced labor or/and indentured labor’ includes
12 forced or indentured child labor.”.

13 (b) *EFFECTIVE DATE.*—The amendment made by this
14 section shall take effect on the date of enactment of this Act.

15 **SEC. 412. WORST FORMS OF CHILD LABOR.**

16 (a) *IN GENERAL.*—Section 502(b)(2) of the Trade Act
17 of 1974 (19 U.S.C. 2462(b)(2) is amended—

18 (1) by inserting after subparagraph (G) the fol-
19 lowing new subparagraph:

20 “(H) Such country has not implemented its
21 commitments to eliminate the worst forms of
22 child labor.”; and

23 (2) in the flush paragraph at the end, by strik-
24 ing “and (G)” and inserting “(G), and (H) (to the
25 extent described in section 507(6)(A), (B), and (C))”.

1 (b) *DEFINITION OF WORST FORMS OF CHILD*
2 *LABOR.*—Section 507 of the Trade Act of 1974 (19 U.S.C.
3 2467) is amended by adding at the end the following new
4 paragraph:

5 “(6) *WORST FORMS OF CHILD LABOR.*—The term
6 ‘worst forms of child labor’ means—

7 “(A) all forms of slavery or practices simi-
8 lar to slavery, such as the sale or trafficking of
9 children, debt bondage and serfdom, or forced or
10 compulsory labor, including forced or compul-
11 sory recruitment of children for use in armed
12 conflict;

13 “(B) the use, procuring, or offering of a
14 child for prostitution, for the production of por-
15 nography or for pornographic purposes;

16 “(C) the use, procuring, or offering of a
17 child for illicit activities in particular for the
18 production and trafficking of drugs; and

19 “(D) work which, by its nature or the cir-
20 cumstances in which it is carried out, is likely
21 to harm the health, safety, or morals of children.

22 The work referred to in subparagraph (D) shall be de-
23 termined by the laws, regulations, or competent au-
24 thority of the beneficiary developing country in-
25 volved.”.

1 (c) *ANNUAL REPORT*.—Section 504 of the Trade Act
 2 of 1974 (19 U.S.C. 2464) is amended by inserting “, includ-
 3 ing the findings of the Secretary of Labor with respect to
 4 the beneficiary country’s implementation of its inter-
 5 national commitments to eliminate the worst forms of child
 6 labor” before the end period.

7 ***TITLE V—IMPORTS OF CERTAIN***
 8 ***WOOL ARTICLES***

9 ***SEC. 501. TEMPORARY DUTY REDUCTIONS.***

10 (a) *CERTAIN WORSTED WOOL FABRICS WITH AVER-*
 11 *AGE FIBER DIAMETERS GREATER THAN 18.5 MICRON.*—

12 (1) *IN GENERAL.*—Subchapter II of chapter 99 of
 13 the Harmonized Tariff Schedule of the United States
 14 is amended by inserting in numerical sequence the
 15 following new heading:

“	9902.51.11	Fabrics, of worsted wool, with average fiber diameters greater than 18.5 micron, all the foregoing certified by the importer as suitable for use in making suits, suit-type jackets, or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90)	19.3%	No change	No change	On or before 12/31/2003	”.
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16 (2) *STAGED RATE REDUCTIONS.*—Any staged
 17 rate reduction of a rate of duty set forth in sub-
 18 heading 6203.31.00 of the Harmonized Tariff Sched-
 19 ule of the United States that is proclaimed by the
 20 President shall also apply to the corresponding rate

1 of duty set forth in heading 9902.51.11 of such Sched-
 2 ule, as added by paragraph (1).

3 (b) CERTAIN WORSTED WOOL FABRICS WITH AVER-
 4 AGE FIBER DIAMETERS OF 18.5 MICRON OR LESS.—

5 (1) IN GENERAL.—Subchapter II of chapter 99 of
 6 the Harmonized Tariff Schedule of the United States
 7 is amended by inserting in numerical sequence the
 8 following new heading:

“	9902.51.12	Fabrics, of worsted wool, with average fiber diameters of 18.5 micron or less, all the foregoing certified by the importer as suitable for use in making suits, suit-type jackets, or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90)	6%	No change	No change	On or before 12/31/2003	”.
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9 (2) EQUALIZATION WITH CANADIAN DUTY
 10 RATES.—The President is authorized to proclaim a
 11 reduction in the rate of duty applicable to imports of
 12 worsted wool fabrics classified under subheading
 13 9902.51.12 of the Harmonized Tariff Schedule of the
 14 United States, as added by paragraph (1), that is
 15 necessary to equalize such rate of duty with the most
 16 favored nation rate of duty applicable to imports of
 17 worsted wool fabrics of the kind described in such sub-
 18 heading imported into Canada.

19 (c) DEFINITIONS.—The U.S. Notes to subchapter II of
 20 chapter 99 of the Harmonized Tariff Schedule of the United
 21 States are amended by adding at the end the following:

1 “13. For purposes of headings 9902.51.11 and
2 9902.51.12, the term ‘suit’ has the meaning given such term
3 under note 3(a) of chapter 62 for purposes of headings 6203
4 and 6204.

5 “14. For purposes of headings 9902.51.11 and
6 9902.51.12, the term ‘making’ means cut and sewn in the
7 United States.”.

8 (d) *LIMITATION ON QUANTITY OF IMPORTS.*—The U.S.
9 Notes to subchapter II of chapter 99 of the Harmonized Tar-
10 iff Schedule of the United States, as amended by subsection
11 (c), are further amended by adding at the end the following:

12 “15. The aggregate quantity of worsted wool fabrics
13 entered under heading 9902.51.11 from January 1 to De-
14 cember 31 of each year, inclusive, shall be limited to
15 2,500,000 square meter equivalents, or such other quantity
16 proclaimed by the President pursuant to section 504(b)(3)
17 of the Trade and Development Act of 2000.

18 “16. The aggregate quantity of worsted wool fabrics
19 entered under subheading 9902.51.12 from January 1 to
20 December 31 of each year, inclusive, shall be limited to
21 1,500,000 square meter equivalents, or such other quantity
22 proclaimed by the President pursuant to section 504(b)(3)
23 of the Trade and Development Act of 2000.”.

24 (e) *ALLOCATION OF TARIFF-RATE QUOTAS.*—In imple-
25 menting the limitation on the quantity of imports of wor-

1 *sted wool fabrics under headings 9902.51.11 and 9902.51.12*
2 *of the Harmonized Tariff Schedule of the United States, as*
3 *required by U.S. Notes 15 and 16 of subchapter II of chap-*
4 *ter 99 of such Schedule, respectively, for the entry, or with-*
5 *drawal from warehouse for consumption, the President, con-*
6 *sistent with United States international obligations, shall*
7 *take such action as determined appropriate by the President*
8 *to ensure that such fabrics are fairly allocated to persons*
9 *(including firms, corporations, or other legal entities) who*
10 *cut and sew men's and boys' worsted wool suits and suit-*
11 *like jackets and trousers in the United States and who*
12 *apply for an allocation based on the amount of such suits*
13 *cut and sewn during the prior calendar year.*

14 (f) *EFFECTIVE DATE.*—*The amendments made by this*
15 *section apply with respect to goods entered, or withdrawn*
16 *from warehouse for consumption, on or after January 1,*
17 *2001.*

18 **SEC. 502. TEMPORARY DUTY SUSPENSIONS.**

19 (a) *WOOL YARN WITH AVERAGE FIBER DIAMETERS*
20 *OF 18.5 MICRON OR LESS.*—*Subchapter II of chapter 99*
21 *of the Harmonized Tariff Schedule of the United States is*
22 *amended by inserting in numerical sequence the following*
23 *new heading:*

“	9902.51.13	Yarn, of combed wool, not put up for retail sale, containing 85 percent or more by weight of wool, of 64's and linen worsted wool count wool yarn formed with wool fibers having diameters of 18.5 micron or less (provided for in subheading 5107.10.00)	Free	No change	No change	On or before 12/31/2003	”.
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1 (b) *WOOL FIBER AND WOOL TOP WITH AVERAGE DI-*
2 *AMETERS OF 18.5 MICRON OR LESS.*—Subchapter II of
3 chapter 99 of the Harmonized Tariff Schedule of the United
4 States is amended by inserting in numerical sequence the
5 following new heading:

“	9902.51.14	Wool fiber, waste, garnetted stock, combed wool, or wool top, having average fiber diameters of 18.5 micron or less (provided for in subheadings 5101.11, 5101.19, 5101.21, 5101.29, 5101.30, 5103.10, 5103.20, 5104.00, 5105.21, or 5105.29)	Free	No change	No change	On or before 12/31/2003	”.
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6 (c) *EFFECTIVE DATE.*—The amendments made by this
7 section apply with respect to goods entered, or withdrawn
8 from warehouse for consumption, on or after January 1,
9 2001.

10 **SEC. 503. SEPARATE TARIFF LINE TREATMENT FOR WOOL**
11 **YARN AND MEN'S OR BOYS' SUITS AND SUIT-**
12 **TYPE JACKETS AND TROUSERS OF WORSTED**
13 **WOOL FABRIC.**

14 (a) *SEPARATE TARIFF LINE TREATMENT.*—The Presi-
15 dent shall proclaim 8-digit tariff categories, without
16 changes in existing duty rates, in chapters 51 and 62 of

1 *the Harmonized Tariff Schedule of the United States in*
2 *order to provide separate tariff treatment for—*

3 (1) *wool yarn made of wool fiber with an aver-*
4 *age fiber diameter of 18.5 micron or less, and wool*
5 *fabrics made from yarns with an average fiber diame-*
6 *ter of 18.5 micron or less; and*

7 (2) *men's or boys' suits, suit-type jackets and*
8 *trousers of worsted wool fabric, made of wool yarn*
9 *having an average diameter of 18.5 micron or less.*

10 (b) *CONFORMING CHANGES.—The President is author-*
11 *ized to make conforming changes in headings 9902.51.11,*
12 *9902.51.12, 9902.51.13, and 9902.51.14 of the Harmonized*
13 *Tariff Schedule of the United States to take into account*
14 *the new permanent tariff categories proclaimed under sub-*
15 *section (a).*

16 **SEC. 504. MONITORING OF MARKET CONDITIONS AND AU-**
17 **THORITY TO MODIFY TARIFF REDUCTIONS.**

18 (a) *MONITORING OF MARKET CONDITIONS.—Begin-*
19 *ning on the date of the enactment of this Act, the President*
20 *shall monitor market conditions in the United States, in-*
21 *cluding domestic demand, domestic supply, and increases*
22 *in domestic production, of worsted wool fabrics and their*
23 *components in the market for—*

24 (1) *men's or boys' worsted wool suits, suit-type*
25 *jackets, and trousers;*

1 (2) *worsted wool fabric and yarn used in the*
2 *manufacture of such suits, jackets and trousers; and*

3 (3) *wool used in the production of such fabrics*
4 *and yarn.*

5 (b) *AUTHORITY TO MODIFY LIMITATION ON QUANTITY*
6 *OF WORSTED WOOL FABRICS SUBJECT TO TARIFF REDUC-*
7 *TION.—*

8 (1) *IN GENERAL.—The President shall, on an*
9 *annual basis, consider requests made by United*
10 *States manufacturers of apparel products made of*
11 *worsted wool fabrics described in subsection (a) to*
12 *modify the limitation on the quantity of imports of*
13 *worsted wool fabrics under headings 9902.51.11 and*
14 *9902.51.12 of the Harmonized Tariff Schedule of the*
15 *United States, as required by U.S. Notes 15 and 16*
16 *of subchapter II of chapter 99 of such Schedule, re-*
17 *spectively.*

18 (2) *CONSIDERATION OF CERTAIN MARKET CONDI-*
19 *TIONS.—In determining whether to modify the limita-*
20 *tion on the quantity of imports of worsted wool fab-*
21 *rics described in paragraph (1), the President shall*
22 *consider the following United States market condi-*
23 *tions:*

1 (A) *Increases or decreases in sales of the do-*
2 *mestically-produced worsted wool fabrics de-*
3 *scribed in subsection (a).*

4 (B) *Increases or decreases in domestic pro-*
5 *duction of such fabrics.*

6 (C) *Increases or decreases in domestic pro-*
7 *duction and consumption of the apparel items*
8 *described in subsection (a).*

9 (D) *The ability of domestic producers of*
10 *worsted wool fabrics described in subsection (a)*
11 *to meet the needs of domestic manufacturers of*
12 *the apparel items described in subsection (a) in*
13 *terms of quantity and ability to meet market de-*
14 *mands for the apparel items.*

15 (E) *Evidence that domestic manufacturers*
16 *of worsted wool fabrics have lost sales due to the*
17 *temporary duty reductions on certain worsted*
18 *wool fabrics under headings 9902.51.11 and*
19 *9902.51.12 of the Harmonized Tariff Schedule of*
20 *the United States (as added by subsections (a)*
21 *and (b) of section 501).*

22 (F) *Evidence that domestic manufacturers*
23 *of apparel items described in subsection (a) have*
24 *lost sales due to the inability to purchase ade-*

1 *quate supplies of worsted wool fabrics on a cost*
2 *competitive basis.*

3 *(G) Price per square meter of imports and*
4 *domestic sales of worsted wool fabrics.*

5 *(3) MODIFICATION OF LIMITATION ON QUANTITY*
6 *OF FABRICS.—*

7 *(A) IN GENERAL.—If the President deter-*
8 *mines that the limitation on the quantity of im-*
9 *ports of worsted wool fabrics under headings*
10 *9902.51.11 and 9902.51.12 of the Harmonized*
11 *Tariff Schedule of the United States should be*
12 *modified, the President shall proclaim such*
13 *changes to U.S. Note 15 or 16 to subchapter II*
14 *of chapter 99 of such Schedule (as added by sec-*
15 *tion 501(d)), as the President determines to be*
16 *appropriate.*

17 *(B) ADDITIONAL REQUIREMENT.—In any*
18 *calendar year, any modification of the limita-*
19 *tion on the quantity of imports of worsted wool*
20 *fabrics under headings 9902.51.11 and*
21 *9902.51.12 of the Harmonized Tariff Schedule of*
22 *the United States shall not exceed—*

23 *(A) 1,000,000 square meter equivalents for*
24 *worsted wool fabrics under heading 9902.51.11;*
25 *and*

1 (B) 1,000,000 square meter equivalents for
2 worsted wool fabrics under heading 9902.51.12.

3 (c) *IMPLEMENTATION.*—*The President shall issue regu-*
4 *lations necessary to implement the provisions of this sec-*
5 *tion.*

6 **SEC. 505. REFUND OF DUTIES PAID ON IMPORTS OF CER-**
7 **TAIN WOOL ARTICLES.**

8 (a) *WORSTED WOOL FABRICS.*—*In each of the cal-*
9 *endar years 2000, 2001, and 2002, a manufacturer of men's*
10 *or boys' suits, suit-type jackets, or trousers (not a broker*
11 *or other individual acting on behalf of the manufacturer*
12 *to process the import) of imported worsted wool fabrics of*
13 *the kind described in heading 9902.51.11 or 9902.51.12 of*
14 *the Harmonized Tariff Schedule of the United States shall*
15 *be eligible for a refund of duties paid on entries of such*
16 *fabrics in each such calendar year in an amount equal to*
17 *one-third of the amount of duties paid by the importer on*
18 *such worsted wool fabrics (without regard to micron level)*
19 *imported in calendar year 1999.*

20 (b) *WOOL YARN.*—*In each of the calendar years 2000,*
21 *2001, and 2002, a manufacturer of worsted wool fabrics*
22 *who imports wool yarn of the kind described in heading*
23 *9902.51.13 of the Harmonized Tariff Schedule of the United*
24 *States shall be eligible for a refund of duties paid on entries*
25 *of such wool yarn in each such calendar year in an amount*

1 *equal to one-third of the amount of duties paid by the man-*
2 *ufacturer on such wool yarn (without regard to micron*
3 *level) imported in calendar year 1999.*

4 *(c) WOOL FIBER AND WOOL TOP.—In each of the cal-*
5 *endar years 2000, 2001, and 2002, a manufacturer of wool*
6 *yarn or wool fabric who imports wool fiber or wool top of*
7 *the kind described in heading 9902.51.14 of the Harmonized*
8 *Tariff Schedule of the United States shall be eligible for a*
9 *refund of duties paid on entries of such wool fiber in each*
10 *such calendar year in an amount equal to one-third of the*
11 *amount of duties paid by the manufacturer on such wool*
12 *fiber (without regard to micron level) imported in calendar*
13 *year 1999.*

14 *(d) PROPER IDENTIFICATION AND APPROPRIATE*
15 *CLAIM.—Any person applying for a rebate under this sec-*
16 *tion shall properly identify and make appropriate claim*
17 *for each entry involved.*

18 **SEC. 506. WOOL RESEARCH, DEVELOPMENT, AND PRO-**
19 **MOTION TRUST FUND.**

20 *(a) ESTABLISHMENT.—There is hereby established*
21 *within the Treasury of the United States a trust fund to*
22 *be known as the Wool Research, Development, and Pro-*
23 *motion Trust Fund (hereinafter in this section referred to*
24 *as the “Trust Fund”), consisting of such amounts as may*
25 *be transferred to the Trust Fund under subsection (b)(1)*

1 *and any amounts as may be credited to the Trust Fund*
2 *under subsection (c)(2).*

3 *(b) TRANSFER OF AMOUNTS.—*

4 *(1) IN GENERAL.—The Secretary of the Treasury*
5 *shall transfer to the Trust Fund out of the general*
6 *fund of the Treasury of the United States amounts de-*
7 *termined by the Secretary of the Treasury to be equiv-*
8 *alent to the amounts received into such general fund*
9 *that are attributable to the duty received on articles*
10 *under chapters 51 and 52 of the Harmonized Tariff*
11 *Schedule of the United States, subject to the limita-*
12 *tion in paragraph (2).*

13 *(2) LIMITATION.—The Secretary shall not trans-*
14 *fer more than \$2,250,000 to the Trust Fund in any*
15 *fiscal year.*

16 *(3) TRANSFERS BASED ON ESTIMATES.—The*
17 *amounts required to be transferred under paragraph*
18 *(1) shall be transferred at least quarterly from the*
19 *general fund of the Treasury of the United States to*
20 *the Trust Fund on the basis of estimates made by the*
21 *Secretary of the Treasury of the amounts referred to*
22 *in paragraph (1) that are received into the Treasury.*
23 *Proper adjustments shall be made in the amounts*
24 *subsequently transferred to the extent prior estimates*

1 *were in excess of, or less than, the amounts required*
2 *to be transferred.*

3 (c) *INVESTMENT OF TRUST FUND.—*

4 (1) *IN GENERAL.—It shall be the duty of the Sec-*
5 *retary of the Treasury to invest such portion of the*
6 *Trust Fund as is not, in the Secretary's judgment, re-*
7 *quired to meet current withdrawals. Such investments*
8 *may be made only in interest-bearing obligations of*
9 *the United States or in obligations guaranteed as to*
10 *both principal and interest by the United States. For*
11 *such purpose, such obligations may be acquired on*
12 *original issue at the issue price or by purchase of out-*
13 *standing obligations at the market price. Any obliga-*
14 *tion acquired by the Trust Fund may be sold by the*
15 *Secretary of the Treasury at the market price.*

16 (2) *INTEREST AND PROCEEDS FROM SALE OR*
17 *REDEMPTION OF OBLIGATIONS.—The interest on, and*
18 *the proceeds from the sale or redemption of, any obli-*
19 *gations held in the Trust Fund shall be credited to*
20 *and form a part of the Trust Fund.*

21 (d) *AVAILABILITY OF AMOUNTS FROM TRUST FUND.—*
22 *From amounts available in the Trust Fund (including any*
23 *amounts not obligated in previous fiscal years), the Sec-*
24 *retary of Agriculture is authorized to provide grants to a*
25 *nationally-recognized council established for the develop-*

1 *ment of the United States wool market for the following*
2 *purposes:*

3 (1) *Assist United States wool producers to im-*
4 *prove the quality of wool produced in the United*
5 *States, including to improve wool production meth-*
6 *ods.*

7 (2) *Disseminate information on improvements*
8 *described in paragraph (1) to United States wool pro-*
9 *ducers generally.*

10 (3) *Assist United States wool producers in the*
11 *development and promotion of the wool market.*

12 (e) *REPORTS TO CONGRESS.—The Secretary of the*
13 *Treasury, in consultation with the Secretary of Agriculture,*
14 *shall prepare and submit to Congress an annual report on*
15 *the financial condition and the results of the operations of*
16 *the Trust Fund, including a description of the use of*
17 *amounts of grants provided under subsection (d), during*
18 *the preceding fiscal year and on its expected condition and*
19 *operations during the next fiscal year.*

20 (f) *SUNSET PROVISION.—Effective January 1, 2004,*
21 *the Trust Fund shall be abolished and all amounts in the*
22 *Trust Fund on such date shall be transferred to the general*
23 *fund of the Treasury of the United States.*

TITLE VI—REVENUE
PROVISIONS

**SEC. 601. APPLICATION OF DENIAL OF FOREIGN TAX CRED-
IT REGARDING TRADE AND INVESTMENT
WITH RESPECT TO CERTAIN FOREIGN COUN-
TRIES.**

(a) *IN GENERAL.*—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., regarding trade and investment with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

“(5) *WAIVER OF DENIAL.*—

“(A) *IN GENERAL.*—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

“(i) determines that a waiver of the application of such paragraph is in the national interest of the United States and will expand trade and investment opportunities for United States companies in such country, and

“(ii) reports such waiver under subparagraph (B).

“(B) *REPORT.*—Not less than 30 days before the date on which a waiver is granted under

1 *this paragraph, the President shall report to*
2 *Congress—*

3 *“(i) the intention to grant such waiver,*
4 *and*
5 *“(ii) the reason for the determination*
6 *under subparagraph (A)(i).”.*

7 ***(b) EFFECTIVE DATE.***—*The amendment made by this*
8 *section shall apply on or after February 1, 2001.*

9 ***SEC. 602. ACCELERATION OF COVER OVER PAYMENTS TO***
10 ***PUERTO RICO AND VIRGIN ISLANDS.***

11 ***(a) INITIAL PAYMENT.***—*Section 512(b) of the Ticket*
12 *to Work and Work Incentives Improvement Act of 1999 is*
13 *amended—*

14 ***(1)*** *by striking “October 1, 2000,” in the matter*
15 *preceding paragraph (1) and inserting “the first day*
16 *of the month within which the date of enactment of*
17 *the Trade and Development Act of 2000 occurs,” and*

18 ***(2)*** *by striking paragraph (2) and inserting the*
19 *following new paragraph:*

20 ***“(2) SECOND TRANSFER OF INCREMENTAL IN-***
21 ***CREASE IN COVER OVER ATTRIBUTABLE TO PERIODS***
22 ***BEFORE RESUMPTION OF REGULAR PAYMENTS.***—*The*
23 *Secretary of the Treasury shall transfer on the first*
24 *payment date after the date of enactment of the Trade*

1 *and Development Act of 2000 an amount equal to the*
2 *excess of—*

3 *“(A) the amount of such increase otherwise*
4 *required to be covered over after June 30, 1999,*
5 *and before the first day of the month within*
6 *which such date of enactment occurs, over*

7 *“(B) the amount of the transfer described in*
8 *paragraph (1).”.*

9 *(b) CLARIFICATION OF DISPOSITION OF TAXES TO VIR-*
10 *GIN ISLANDS.—So much of paragraph (3) of section*
11 *7652(b) of the Internal Revenue Code of 1986 (relating to*
12 *Virgin Islands) as precedes subparagraph (B) thereof is*
13 *amended to read as follows:*

14 *“(3) DISPOSITION OF INTERNAL REVENUE COL-*
15 *LECTIONS.—The Secretary shall determine the*
16 *amount of all taxes imposed by, and collected under*
17 *the internal revenue laws of the United States on ar-*
18 *ticles produced in the Virgin Islands and transported*
19 *to the United States. The amount so determined less*
20 *1 percent and less the estimated amount of refunds or*
21 *credits shall be subject to disposition as follows:*

22 *“(A) The payment of an estimated amount*
23 *shall be made to the government of the Virgin Is-*
24 *lands before the commencement of each fiscal*
25 *year as set forth in section 4(c)(2) of the Act en-*

1 *titled ‘An Act to authorize appropriations for*
2 *certain insular areas of the United States, and*
3 *for other purposes’, approved August 18, 1978*
4 *(48 U.S.C. 1645), as in effect on the date of en-*
5 *actment of the Trade and Development Act of*
6 *2000. The payment so made shall constitute a*
7 *separate fund in the treasury of the Virgin Is-*
8 *lands and may be expended as the legislature*
9 *may determine.”.*

10 *(c) RESOLUTION OF STATUTORY CONFLICT.—Section*
11 *7652 of the Internal Revenue Code of 1986 (relating to ship-*
12 *ments to the United States) is amended by adding at the*
13 *end the following new subsection:*

14 *“(h) MANNER OF COVER OVER OF TAX MUST BE DE-*
15 *RIVED FROM THIS TITLE.—No amount shall be covered into*
16 *the treasury of Puerto Rico or the Virgin Islands with re-*
17 *spect to taxes for which cover over is provided under this*
18 *section unless made in the manner specified in this section*
19 *without regard to—*

20 *“(1) any provision of law which is not contained*
21 *in this title or in a revenue Act, and*

22 *“(2) whether such provision of law is a subse-*
23 *quently enacted provision or directly or indirectly*
24 *seeks to waive the application of this subsection.”.*

1 (d) *EFFECTIVE DATE.*—*The amendments made by this*
2 *section shall apply with respect to transfers or payments*
3 *made after the date of enactment of this Act.*